Daily Report

Latin America

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Venezuelan Candidate for OAS Leadership To Visit

FL1609233293 Bridgetown CANA in English 2028 GMT 16 Sep 93

[Text] Roseau, Dominica, Sept 16, CANA—Dominica is yet to decide whom it will support to become the next secretary-general of the Organisation of American States (OAS), External Affairs Minister Brian Alleyne said Thursday.

Alleyne spoke to CANA ahead of the arrival next Tuesday of Dr Miguel Angel Burelli-Rivas, a Venezuelan who is seeking Dominica's support for his election to the top OAS post.

Costa Rican Foreign Minister Bernd Niehaus, another candidate in the race, visited Dominica and other Caribbean countries last month to drum up support for his candidature.

"Dominica's wish would be to choose the very best candidate for the OAS," Alleyne said, noting a consideration was "the contribution (the OAS) can make to us in the Caribbean region. "We would not be approaching (the matter) in any frivolous way, but would give serious consideration to the qualifications of the several candidates," he added.

The Venezuelan Embassy, in a statement announcing Dr Burelli's visit, said under his leadership, the Washington-based hemispheric organisation will strengthen its role as a defender of peace, democracy and human rights.

Regional Report Shows 'Moderate Expansion'

FL1609230593 Bridgetown CANA in English 2025 GMT 16 Sep 93

[Text] Bridgetown, Barbados, Sept 16, CANA—Most of the countries of Latin America have been experiencing, for the third consecutive year, a phase of moderate expansion, according to a new report. The countries are seeing gradual price stabilisation, alleviation of the debt burden and massive inflows of external capital, said the report from the Economic Commission for Latin America and the Caribbean [ECLAC].

"The countries whose levels of activity or imports increased the most in 1992 moderated their growth rate in the first half of 1993, in an attempt to keep the external gap at levels compatible with sustainable capital flows, or to avoid renewed inflationary pressures," according to a statement ECLAC released here detailing the findings. "The traumatic adjustments of the 1980's appear to be fading into the past, while the new operational foundations of the region's economies seem to be growing stronger."

The report said, however, that the region was also facing the emergence of a new kind of external vulnerability and the threat that adjustment might become endemic. "Massive social deficiencies, aggravated by the effects of the economic crisis and adjustment, also persist," ECLAC said.

"The introduction of new operational foundations and the determined efforts made to achieve and maintain macroeconomic stability lent credibility to economic policy in many cases. In this situation, the drop in international interest rates made investments in Latin America attractive again, giving rise to a massive net inflow of non-debt-related private capital in the 1991-1992 biennium. In the first half of 1993, the circumstances conducive to flows continued to increase at a rate of over us 50 billion dollars a year.

"This influx of resources and the reduction of interest payments has continued to sustain an import capacity far greater than that provided by the region's exports which grew sluggishly, undermined by the weakness of world markets and the steady deterioration of export prices. At the same time, the abundance of foreign exchange has tended to put upward pressure on real exchange rates. This in some cases has discouraged external sales and, in conjunction with tariff reductions made imports cheaper, contributing to their growth.

"These circumstances enabled both consumer demand (revived by the slow recovery of earnings and the access to new goods) and investment demand (postponed by the earlier recession and instability) to be financed and to be directed towards imports, at the same time stimulating domestic production."

Available indicators show that the investment boom has continued in 1993, although most countries still have investment rates significantly lower than those achieved before the crisis, ECLAC said.

"Latin America's growth continues at a more moderate rate," it added. "Judging from the indicators for the first six months of 1993 and the latest events, regional output can be expected to grow by more than the 3 per cent recorded in 1992. However, this trend is heavily influenced by the anticipated recovery of output in Brazil. In fact growth will slow down in most of the other economies, with the result that a marked convergence can be observed in growth rates: 12 countries are growing by between 3 per cent and 5 per cent, only four by rates lower than 3 per cent and only two (Argentina and Chile) by over 5 per cent."

Price stability is preserved and strengthened, said ECLAC. "Most countries of the region have maintained of lowered their inflation rates. If Brazil—whose already

high rate of inflation accelerated—is excluded, the region's annual weighted average increased in consumer prices is around 19 per cent, as compared with almost 22 per cent in 1992," ECLAC said.

"Among the countries which until recently had chronically high inflation, Argentina has moved to a situation of low inflation, a process which has been consolidated in 1993, while other economies with high inflation have also continued to reduce it. A large number of countries with moderate inflation have also witnessed a slow down of consumer price increases.

"Fiscal stability, achieved after the large-scale adjustments of earlier years, is also being preserved. However, as economies return to normal, that is becoming more difficult to maintain: Tax revenues continue to grow, but at a slower pace, while the rate of spending is increasing."

Cuba

Castro Criticizes U.S. for Encouraging Emigration

PA1709045593 Mexico City NOTIMEX in Spanish 0339 GMT 17 Sep 93

[Text] Havana, 16 Sep (NOTIMEX)—On the evening of 16 September, President Fidel Castro said relations between Mexico and Cuba will not be damaged by rash actions and reaffirmed that the two countries have and will continue to maintain good relations.

The Cuban president attended an official reception on 16 September to mark the 183d anniversary of Mexican independence.

Castro criticized the encouragement given by the administration of President William Clinton to Cuban citizens to emigrate to the United States.

The Cuban president talked at the reception with Mexican and other foreign diplomats, journalists, and Mexicans who reside in Cuba. Singer Tania Libertad dedicated a brief concert to him, which included Mexican and Latin American songs such as "The Black Woman's Rhythm." Castro stayed at the Mexican ambassador's residence for several hours after the ceremony had concluded.

Venezuelan Foreign Minister: Russian Oil Pact Suspended

PA1709021293 Mexico City NOTIMEX in Spanish 2332 GMT 16 Sep 93

[Text] Havana, 16 Sep (NOTIMEX)—Venezuelan Foreign Minister Fernando Ochoa Antich has confirmed that Venezuela has suspended the three-way trade agreement with Russia, through which Cuba received 60,000 barrels of petroleum products daily.

The foreign minister said the agreement between Venezuela and Russia, under the terms of which the South American country supplied petroleum products to Havana while Moscow supplied the same products to certain European countries, is no longer in effect because Boris Yeltsin's government has failed to meet its commitments.

"The agreement ceased to exist from the very moment it was no longer good business for Venezuela, and I think it is advisable to reaffirm that the sale of Venezuelan petroleum is not politically motivated," Ochoa pointed out.

The foreign minister today concluded a three-day official visit to Havana, during which he held long talks with President Fidel Castro and met with Cuban Foreign Minister Roberto Robaina and members of the Council of State and the Council of Ministers. A few hours before returning to his country, the South American foreign minister said he was pleased by his talks with the Cuban president and ministers, with whom, he said, he held "an open, sincere, and unrestricted dialogue."

The diplomat said that Cuba's $45 million debt to Venezuela is restricting the development of bilateral trade and financial relations between the two countries. He assured reporters that bilateral trade relations with the island are not "politically motivated," adding that the two governments are trying to find ways to resolve the foreign debt problem.

Cuba and Venezuela today signed agreements for academic cooperation and air transportation, and they extended by five years an agreement on the hijacking of aircraft and vessels.

Minister Meets Castro, Tejas

FL1609205193 Havana Radio Rebelde Network in Spanish 1700 GMT 16 Sep 93

[Text] The final day of Venezuelan Foreign Minister Fernando Ochoa Antich's stay began with a visit to the State Committee for Economic Cooperation and the Hermanos Ameijeiras Clinical Surgical Hospital.

The visitor and Public Health Minister Julio Tejas focused on prospects for medical and technical cooperation between Caracas and Havana. (Willermo Seija), member of the Venezuelan Social Security Secretariat, commented:

[Begin recording] There are medicines in which we have a commercial interest, such as human [word indistinct], interferon, certain antibiotics, and certain cardiovascular drugs. We need, perhaps, a little technological cooperation to upgrade some facilities that have deteriorated and to prevent the deterioration of others. We truly want to develop a structure that is, if not identical, at least similar. As we mentioned to the health minister, each structure has to be tailored to each need. Undoubtedly, there is a frame of reference. What we are seeking is a good frame of reference in order to find a level at which we can adopt this in Venezuela. [end recording]

Venezuelan Foreign Minister Fernando Ochoa Antich arrived in Cuba on 14 September at the invitation of his counterpart, Roberto Robaina Gonzalez. As part of his full agenda, Ochoa Antich met last night with Cuban President Fidel Castro. This exchange ensued between Cuban journalists and Fidel outside the Venezuelan embassy:

[Begin recording] [First unidentified reporter] Commander, what subjects did you discuss with the foreign minister?

[Castro] You are asking too much. The visit has been very satisfactory. I already knew him; I saw him in Rio. It has been a great pleasure to see him again. We talked about all kinds of subjects.

[First reporter] Were there any areas of disagreement [sombras] in the meeting?

[Castro] Areas of disagreement? No, none.

[Second unidentified reporter] Commander, what are the prospects regarding medicines?

[Castro] You are asking concrete questions about commercial issues.

[First reporter] Do you see any commercial prospects between the two nations?

[Castro] There was a little of everything, but there is not time to discuss everything.

[First reporter] Are you pleased with the visit of the Venezuelan foreign minister?

[Castro] Yes.

[First reporter] Has it been agreeable? Is there a communication?

[Castro] Yes, of course, very good. [end recording]

Division General Ochoa Antich also commented:

[Begin recording] We have been conducting a very broad agenda, as is usual in this type of political consultation process. He [Castro] explained to me in detail the efforts to overcome the current Cuban crisis. I also explained the situation in Venezuela in detail to him. I relayed to him a cordial greeting from President Ramon J. Velazquez. We also discussed the agenda we are going to debate at the United Nations and analyzed Central America's problems. [end recording]

Castro Attends Reception

FL1609193293 Havana Radio Rebelde Network in Spanish 0900 GMT 16 Sep 93

[Text] Commander in Chief Fidel Castro, president of the Councils of State and of Ministers, attended the reception held yesterday by Venezuelan Foreign Minister Fernando Ochoa Antich. Also present were Cuban Foreign Minister Roberto Robaina and Jose Ramon Balaguer, both members of the Politburo.

The Venezuelan foreign minister is on an official visit to Cuba during which he is studying, with his Cuban counterpart, the mechanisms for cooperation between the two countries.

Also participating in these talks, on the Cuban side, are Ramon Sanchez-Parodi, vice minister of foreign relations, and Raul Taladrid, vice president of the State Committee for Economic Cooperation. Gonzalo Bustillo, Venezuelan ambassador to Cuba and Maruja Torres, political advisor, make up the Venezuelan side at this meeting at the foreign minister level.

Minister Holds News Conference

FL1709012293 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 17 Sep 93

[Report by (Dania Diez Cantallops)]

[Text] One of the last activities of Venezuelan Foreign Minister Fernando Ochoa Antich in Cuba was a news conference on the afternoon of 16 September in Havana.

[Begin Ochoa Antich recording] This state visit that I have made to Cuba has undoubtedly been an extraordinary personal experience. I have had the opportunity to talk with Commander in Chief Fidel Castro, Foreign Minister Roberto Robaina, and a very distinnguished group of ministers, who gave me a very complete overview of the social, political, and economic circumstances prevailing in Cuba at present. This has been truly a very constructive, open, and sincere dialogue in which we have analyzed both the Venezuelan and Cuban situations without limits of any kind. [end recording]

Ochoa Antich spoke about the deep crisis that his country is experiencing and efforts that are being made to overcome it. Regarding relations with Cuba, the Venezuelan foreign minister reiterated his hope that those ties will continue to be strengthened. He said that to this end, negotiations are being carried out on a basis of mutual respect.

[Begin Ochoa Antich recording] I believe that is the best way to maintain cordial, honest, serious, and direct relations between two countries. That is the kind of relations that we are maintaining between Venezuela and Cuba. Venezuela has serious problems; Cuba has problems, the difficulties that all countries have. In Cuba, it is up to the Cuban people to find options for solutions, and in Venezuela, it is up to the Venezuelan people to find options for solving their problems. [end recording]

In response to questions from newsmen, the Venezuelan foreign minister reaffirmed his country's opposition to the blockade against Cuba. He emphasized that the two countries are in agreement with regard to the democratization of the United Nations.

Shortly before Ochoa Antich leaves on the evening of 16 September, the Cuban and Venezuelan foreign ministers will sign several bilateral cooperation agreements.

Mexico Refuses Visas to 78 Cubans

FL1609233693 Havana Radio Rebelde Network in Spanish 2312 GMT 16 Sep 93

[Text] According to international news dispatches, early this morning a group of 78 persons of Cuban origin entered the Mexican Embassy in Santo Domingo, Dominican Republic, I repeat, the Mexican Embassy in Santo Domingo, Dominican Republic. The news sources add that the group's intention was to pressure Mexican diplomatic authorities to arrange for the individuals to

go to the United States. The group consists primarily of Cuban emigrants who were evicted from a hotel in Santo Domingo for not paying their bill. None of them has been authorized by the U.S. Government to travel to that country permanently. The Cuban emigrants arrived in the Dominican Republic from Grand Cayman island.

Another news dispatch reports that the Mexican Government has refused to grant political asylum to the group. A communique issued by the Secretariats of Foreign Relations and Government stated that Mexico defends the right of asylum, but it will not agree to be used as an instrument of provocation against countries with which it has normal diplomatic relations, and much less to be an intermediary with third countries in consular matters.

Fernando Benitez, Mexican ambassador to the Dominican Republic, told the group that in this instance, they are not being persecuted for political reasons and the Mexican Government is not empowered to grant visas for third countries.

This is our report on the incident provoked today by a group of 78 persons of Cuban origin at the Mexican Embassy in Santo Domingo, Dominincan Republic.

Mexican Joint Communique

PA1709043093 Mexico City XEQ Canal 9 Television Network in Spanish 0200 GMT 17 Sep 93

[Joint communique issued by the Mexican Foreign Relations and Government Secretariats, concerning 72 Cubans who entered the Mexican Embassy in the Dominican Republic, on 16 September; place not given]

[Text] The Mexican Embassy in Santo Domingo reports that a group of 72 people, who claim to be Cuban nationals, invaded the diplomatic mission's garden early this morning.

The group indicated to Ambassador Fernando Benitez that they wish to leave the Dominican Republic and go to the United States and, toward this end, they are requesting the Mexican Government's intervention.

During a dialogue with members of the group, Ambassador Benitez informed them that Mexico has been a staunch defender of the right to asylum. Nevertheless, in this case they are not being politically persecuted. He also indicated that the Mexican Government cannot issue visas for other nations, nor does it have a role to play in such endeavors. Therefore, the group was asked to leave the mission's grounds, but the group has refused to do so.

In Mexico, the Foreign Relations Secretariat and the Government Secretariat believe that in keeping with the Vienna Convention on diplomatic relations, the embassy's security is in the hands of the authorities of the Dominican Republic.

Mexico is a defender of the right to asylum, but it refuses to be an instrument of provocation against countries with which it has diplomatic relations, and much less of being an emissary in consular matters before third-party nations.

Cubans Asked to Leave

PA1709005993 Mexico City NOTIMEX in Spanish 2244 GMT 16 Sep 93

[Text] Santo Domingo, 16 Sep (NOTIMEX)—Today, Fernando Benitez, Mexican ambassador to the Dominican Republic, asked the 72 Cubans, who entered the embassy after apparently being deceived by Cuban dissidents, to leave.

On meeting with the Cubans on the embassy grounds, Benitez told them: "Mexico has been an exceptional defender of the right to asylum. In this particular case, however, you people are not being persecuted for political reasons."

Some of the Cubans refused to leave and even said they would declare a hunger strike to travel to the United States with a stopover in Mexico. The group, which started entering the embassy at 0100 on Thursday to request transit permission to travel to Miami, comprises 24 children and teenagers; 23 women, three of whom are pregnant; and 25 men.

Benitez told the Cubans: "The Mexican Government cannot issue visas for third countries, nor does it have the power to conduct any negotiations in this regard." He then asked them to leave the premises.

In a communique, the Mexican Foreign Secretariat said Mexico defends the right to asylum but that Mexico cannot be an instrument to provoke countries with which it does not hold normal diplomatic relations.

The Cubans left their country in February aboard a fragile boat that ran aground near Grand Cayman Island, from where they traveled to the Dominican Republic on 12 March.

David Pupo, the group spokesman, said that an alleged organization of Cuban dissidents failed to make good a pledge to finance their stay in the Dominican Republic. Pupo, who said Benitez has treated them humanely, said the alleged organization's name is Democratic Unity Party, headquartered in Miami.

Before forcing their entry into the Mexican Embassy, the Cubans had been dislodged from at least two hotels in the Dominican Republic. Then they decided to set up camp at a farm near Victoria, some 20 km from the capital. The Mexican authorities have increased security at the embassy.

The news of the forced entry was highlighted by southern Florida's radio and television stations today. The community of Cuban exiles in Miami, however, had not yet made a decision on what actions to take.

U.S. legislator Ileana Ross Lehtinen said that negotiations are under way at the UN to find a solution to the Cubans' plight but that it has not yet been reported whether they will be admitted into the United States.

The entry into the Mexican Embassy in Santo Domingo was preceded by the entry of eight Cubans into the Mexican Embassy in Cuba last week.

Mexican Undersecretary Comments

PA1609190893 Mexico City NOTIMEX in Spanish 1640 GMT 16 Sep 93

[Text] Mexico, 16 Sep (NOTIMEX)—Mexican Foreign Relations Undersecretary Andres Rozental stated that the 11 Cubans, who requested political asylum at the Mexican Embassy in Havana, are in no way being politically persecuted by the Fidel Castro government.

Interviewed within the framework of the 183d anniversary of national independence, the diplomat pointed out the need to legislate on immigration issues in order to prevent similar situations from taking place. He indicated that those who were granted political asylum and arrived after World War II, the military coup in Chile, and the Spanish Civil War are different from the Cuban cases, which he described as "exceptional."

Rozental explained that Mexico has a deeply rooted tradition on immigration issues and it has always been a refuge for those who feel persecuted and fear for their lives. The diplomat expressed himself in favor of maintaining this tradition because "it does us credit and establishes a positive image internationally."

He added that this tradition as well as the possibilities Mexico offers to defend those who are persecuted are well known throughout the world. He reiterated that it is not the government's intention to harm that possibility. Nevertheless, he pronounced himself in favor of preventing the possibility of the Mexican territory becoming a springboard.

He explained that when these cases take place for legitimate reasons, Mexico will support anyone, although he explained that the Cubans' case "is not the same thing", since they themselves have indicated that they are not being politically persecuted by the Castro government.

The Mexican foreign relations undersecretary explained that granting visas for the Cubans to enter the country was not due to pressure from groups exiled in Miami, Florida, "but a sovereign decision by Mexico." "Our country makes whatever decision it sees fit to make at a time when it is more convenient for us. The Cuban decision was made independently and impartially" he concluded.

Justice Minister on Bill To Change Penal Code

FL1609190193 Havana Radio Rebelde Network in Spanish 1700 GMT 16 Sep 93

[Text] Cuba is currently studying changes to its penal code aimed at improving its response as a part of the current campaign against crime. In an interview granted to PRENSA LATINA, Justice Minister Carlos Amat affirmed that the inclusion of new crimes in the penal code is being studied as well as an increase in sanctions against certain types of social behavior. According to Amat, the debate on the bill should be over shortly and the bill will complement the use of the existing legal instruments to respond to certain criminal acts and social indiscipline seen recently. Talking in detail about the study being conducted on the current legislation, Amat said that the goal is to find the shortcomings of the penal code implemented in 1988 following the decriminalization of violations which did not have a serious social connotation.

Matanzas CDR Congress Sets Goal To Fight Crime

FL1609193593 Havana Radio Rebelde Network in Spanish 1155 GMT 16 Sep 93

[Text] The Fourth Congress for the Defense of the Revolution [CDR] in Matanzas Province has agreed upon the goals that will drive the work of the CDR in the forthcoming phase. Delegates from the 14 Matanzas municipalities reviewed the tasks fulfilled since their last meeting, pointed out problems that need to be eliminated, and debated experiences that will enrich CDR work in the present socioeconomic conditions. The goals approved are designed to strengthen base-level structures, fight crime, and support national defense and the accomplishments of the Revolution.

In the closing address, Luis Alvarez de la Nuez, first secretary of the Communist Party of Cuba in Matanzas, gave an encouraging overview of the economic recovery under way in citrus production, as well as progress made in tourism and oil extraction due to state-directed initiatives through joint-capital enterprises. Alvarez de la Nuez referred to the traditional attitude of CDR members in defense of the Revolution and stressed that under the present circumstances it is necessary to redouble vigilance and actions against the enemies of the people in order to preserve the accomplishments of socialism.

Lebanese President Receives State Delegation

PA1709033193 Havana Radio Havana Cuba in Spanish 0000 GMT 17 Sep 93

[From the "Evening Information Review" newscast]

[Text] Lebanese President Ilyas al-Hirawi has received a high-level Cuban Government delegation in Beirut. The delegation is headed by Pedro Miret Prieto, vice president of the Cuban Council of State, who is touring the

Middle East to improve ties between the Caribbean island nation and the region.

During his stay in Lebanon, the high-ranking Cuban official and his entourage will visit the area destroyed by the Israeli Army's constant attacks. The Zionist regime illegally occupies an area in southern Lebanon where it has established a so-called security zone and from where it bombs the area.

ICAP, Association Issue Statement on Somalia

FL1609192993 Havana Radio Rebelde Network in Spanish 0900 GMT 16 Sep 93

[Text] The Cuban Institute of Friendship with Peoples [ICAP] and the Cuban-African Friendship Association have issued a statement on the events in Somalia. It says the following: We have been following the events that have been taking place in Somalia recently, and we note, with concern, the way the UN forces, which allegedly went there to bring hope to the population of Somalia, have been using military might in civilian population areas, killing children, women, and defenseless elderly people.

The UN Security Council, which was created precisely to avoid such things, has authorized these actions, which are disavowed by international public opinion, and in so doing, is sowing distrust worldwide as to what its true objectives are.

ICAP and the Cuban-African Friendship Association vigorously condemn these indiscriminate bombings, which include even a civilian hospital, and call on the UN forces to respect the Somali people's right to life.

'Straight Talk' on Agricultural Measures

FL1609215693

[Editorial report] Havana Radio Rebelde Network in Spanish at 1600 GMT on 16 September carries a special 30-minute edition of its regular "Straight Talk" program in which host Juan Carlos Roque Garcia and guest journalists Eloy Concepcion and Renato Recio, of TRABAJADORES newspaper, discuss the new organizational measures in state agriculture established by decision of the Politburo of the Communist Party of Cuba [PCC].

Roque says that in principle, the new measures are aimed at "linking the work force to the area so as to stimulate workers' interest in the work, as well as their sense of individual and collective responsibility; linking workers' incomes closely to their production; and greatly developing working autonomy."

Recio says the population showed great interest and great expectations upon learning of these measures, which he feels constitute a landmark decision. Recio notes that solving the serious problem of providing food for the population is not the only goal of the measures, which are also aimed at solving, through agricultural production, important structural problems in the Cuban economy.

It is pointed out that some might consider the measures a last-minute, stop-gap solution to the difficult situation the country is experiencing. Concepcion recalls that the PCC's Fourth Congress discussed self-employment and other matters related to the nation's agricultural output. Concepcion says: "We should not consider any of these measures the Revolution is taking to be hasty or last-minute measures, or measures taken because of the pressures of the moment. In my opinion, they are measures that have been well thought out."

Regarding the Politburo decision, Concepcion says the Politburo has been assessing the experiences of Cuba's 1,188 farm cooperatives for months and even years, and that "of these, 1,080 are profitable, with a cost of 0.72 centavos per peso produced." He also points out that Cuba used to have its agricultural resources guaranteed, which often led to waste. Cuba's situation today is very different and must be confronted through flexible measures, laws, provisions, decrees, and so forth. He feels the latest Politburo agreement is perfectly in keeping with the earlier measures having to do with the decriminalization of foreign exchange and self-employment. He says: "This is part of a whole economic and political strategy aimed at redesigning the nation's economy in keeping with the new circumstances we are going through today, exacerbated by the double blockade the nation is undergoing right now."

Concepcion notes further that state enterprises in Havana Province do not exceed average tuber and vegetable yields of 3,500 quintals per caballeria, whereas the cooperatives average 6,500. He predicts great savings in resources and labor under the new measures. He points out that not only will co-op members have access to bank credits, a salary comparable to that paid by current cooperatives, and profits at the end of the year; they will also be able to buy food, including meat, produced by the unit, for themselves and the members of their households.

The speakers agree that with such incentives, workers will be willing to move out to the countryside and work in agriculture. They note that these new units will have their own assembly, which will elect the unit's board of directors, and will also have their internal regulations, with the workers making their own decisions on everything, including the matter of selling at a profit the produce from the self-sufficiency plots.

Recio says that according to his calculations, approximately one-fourth of the population of Cuba is going to solve its food supply problems through self-sufficiency plots. He expects surplus production to reach the general population more easily in the future. Recio also explains why he thinks housing problems can also be solved in

conjunction with these new structures. He notes that neglect of the countryside for many years brought about a migration to urban areas.

Concepcion says he thinks membership in these new units is going to be voluntary. In the case of Havana, contingent members and other agricultural workers will be able to voluntarily join these Basic Cooperative Production Units. Concepcion says one should remember that, in general, Cuban government administration is "distorted," with too many people in all the ministries and not enough people working in production.

Roque notes that government agriculture has never had enough workers to effect harvests, and that workers from the capital have always had to be mobilized.

One of the guests says he thinks that, at peak moments in the harvest, the units in question will be able to hire contract labor, but adds that the mobilization of volunteers should not be ruled out. The guest adds that there will be rural schools and schools-in-the-fields around many of these units as well.

The speakers all warn against expecting results too soon from this new policy. They point out that the measures will put back into the work force people who, for one reason or another, have not been productively employed. It is noted that the population seems to like these new measures. One speaker says he thinks "the population was already convinced that such measures needed to be taken."

One of the guests points out that ongoing priority tasks cannot be dropped in order to rush out and form these new units, stressing that he is not in favor of rushing into things. He says he believes the Poliburo measures are designed to reach solutions "over the medium term." He thinks these measures should be applied gradually, "with the speed that the country needs, but with the security and the sense of responsibility required for such things, so that they will be done right and we do not make mistakes."

UK Donates Drug Identification, Detection Equipment

FL1709023193 Havana Radio Rebelde Network in Spanish 2300 GMT 16 Sep 93

[Text] The British Government, through its embassy in Cuba, made a donation to Cuba's General Customs Office. Our reporter, Alfredo Nieves Portuondo, was present at the ceremony and now gives us more details on the donation.

[Nieves] Good evening. To find out what this donation consists of, we spoke to (Jonathan Knot), second secretary of the United Kingdom Embassy in Cuba.

[Begin recording] [Knot] The donation consists of equipment used to identify different kinds of substances. Customs agents can use it to identify these substances if, for example, they suspect an illegal substance. With this equipment they can distinguish between talc and cocaine. They can identify the type of drug by using the system. We hope this will help decrease drug trafficking through Cuba.

[Nieves] Your country's cooperation with Cuba in the fight against drugs has become almost a tradition. Why does your government continue to help and cooperate with Cuba?

[Knot] The United Kingdom and the British Government consider very important the establishment of relations throughout the entire world to fight drug trafficking. We are happy that we have been able to establish these ties with Cuba. We have also made other donations of equipment to detect drugs in large boxes and other equipment to identify drugs. British authorities are working with Cuban authorities in an exchange of information to decrease drug trafficking in the country and the region. [end recording]

[Nieves] Leycester Coltman, ambassador of the United Kingdom to Cuba, Zenaida Osorio, first vice minister of justice, the director general of Cuba's General Customs Office, and representatives from the Ministry of the Interior were also present at the important event.

Inter-Caribbean Affairs

Jamaica, Guyana Set Trade Arrangement

FL1609225193 Bridgetown CANA in English 1551 GMT 16 Sep 93

[Text] Kingston, Jamaica, Sept 16, CANA—Jamaica and Guyana have agreed in principle to a reciprocal trading arrangement requiring Jamaica to import 30,000 to 40,000 tonnes of unmilled rice from the South American republic. Guyana will in turn, continue to take cement, building materials, assorted canned foods and other supplies from Kingston.

The state news agency, JAMPRESS, reported Wednesday that Minister of State in the Ministry of Industry, Tourism and Commerce Karl Samuda, who hosted a meeting with visiting Guyanese President, Dr. Cheddi Jagan and members of the local private sector the day before, said the agreement was part of a thrust to strengthen regional co-operation in trade. "Where we are able to produce commodities at competitive prices intra-regionally, then we must seek to promote trade in these items among the countries of the Caribbean as a way of supporting one another," the state minister said.

Commenting specifically on rice, Samuda said Jamaica was willing to fill its requirements for cargo (unmilled) rice from Guyana, in order to maintain the viability of grain for Jamaica Limited, a local rice mill being divested but needing to have adequate 'raw materials' to make its operations feasible.

"The Jamaican Government sees this as an effort to assist Guyana with balance of payments support," he

added, "so it is not just merely a gesture, but a fundamental requirement for strengthening regional stability and co-operation." Guyana has been urging Jamaica to reduce its importation of PL-480 rice in favour of Guyanese rice.

PL-480 rice is imported and distributed to commercial houses by the state-owned Jamaica Commodity Trading Company (JCTC). The Jamaican Government uses the profit to beef up counterpart funds for projects agreed on with the United States. Jamaica is heavily dependent on rice imports, bringing in 75,000 tonnes annually. Jamaica's rice farmers produce only about 500 tonnes annually.

Other areas explored were, the importation of lumber from Guyana for the local furniture and construction industries and the growing of bananas in that country, taking advantage of its vast land space.

President Jagan was reported to have told the meeting that as Guyana sought to develop its economy it would welcome investments from Jamaica whether in joint venture activities or wholly-owned investments.

Vernon Matalon, Jamaican businessman and exporter, told JAMPRESS opportunities for trade with Guyana were excellent now the government had moved towards opening up its markets.

Bermuda

General Election Called for 5 Oct

FL1609233593 Bridgetown CANA in English 2042 GMT 16 Sep 93

[By Ivan Clifford]

[Text] Hamilton, Bermuda, Sept 16, CANA—Bermuda's premier, Sir John Swan, on Thursday announced a general election for October 5. It will be the eighth national poll since internal self-government was introduced in this British colony 25 years ago.

The Progressive Labour Party (PLP), the main opposition party, will attempt to break the dominance of the ruling United Bermuda Party (UBP), which has won all seven previous general elections - in 1968, 1972, 1976, 1980, 1983, 1985 and 1989.

No official opinion polls are held in Bermuda. Most political observers believe the election - called five months ahead of the five-year constitutional deadline - could be a close one, with the UBP retaining power.

The lowering of the voting age from 21 to 18 since the last election, at which the multi-racial UBP won 23 of the 40 seats in the House of Assembly, is likely to help the chances of the predominantly black PLP, which is led by lawyer Frederick Wade, analysts here said.

Sir John, a 58-year-old black self-made millionaire, at a news conference on Wednesday unveiled a blueprint and asked Bermudians for another chance to build. The UBP's "Blueprint for Bermuda's Future" is a "document that spells out how we in the United Bermuda Party plan to run this country after this election," said Sir John. It includes 110 promises in nine policy areas. "You can hold us accountable for it," Sir John said.

The blueprint marks a departure. The PLP publishes a detailed campaign platform each year but it has not been a practice for the UBP. Sir John, premier for more than a decade, said his aim in January 1982 was "to raise the standard of living for all people" in Bermuda, and "we had a blueprint then."

The UBP has already named a full slate of 40 candidates for the 20 constituencies. The PLP has so far named 34 but has not said whether it will add to the list.

The small third party, the National Liberal Party, has announced seven candidates so far. Its leader, Gilbert Darrell, is the only NLP member of Parliament.

Although the UBP won 23 seats to the PLP's 15 in 1989 it lost one member when outspoken backbencher Harry Viera became the second independent in the house, joining Stuart Hayward, an environmentalist.

Bermuda is a tiny but wealthy island of 60,000 residents - 60 per cent of whom are black and 40 per cent white. It owes its affluence to tourism and international business. There is no income tax and inflation is currently running at around 2.5 per cent.

Haiti

Caputo Accusations Against Radio Liberte Protested

FL1609181793 Port-au-Prince Signal FM Radio in French 1030 GMT 16 Sep 93

[Text] The group of nine Haitian political parties called the G-9 condemns the accusations expressed by international mediator Dante Caputo against Serge Beaulieu, owner and director of Radio Liberte. [Port-au-Prince LE NOUVELLISTE in French on 14 September page four publishes the 14 September letter from UN Envoy Dante Caputo to General Raoul Cedras in which Caputo notes that Radio Liberte director Serge Beaulieu was said to have threatened the information minister.] The G-9 says: Given the seriousness of the accusations, we expect the Argentinian emissary to provide evidence. Otherwise, it would be unforgivable thoughtlessness or an intolerable interference from Mr. Caputo, concludes this communique of the G-9.

The news reached us while we were looking into what was done to the press through Radio Caraibes in our effort to demand respect for our journalists, the political grouping points out in the light of Dante Caputo's charges. The G-9 note goes on to say in the event that the charges are unfounded, Caputo's accusation would constitute a form of intimidation along with being a serious

attack on the freedom of expression from a special envoy whose mission is instead to encourage the respect of fundamental rights and of essential freedoms in Haiti. In the opinion of the nine political parties that signed this note, Radio Liberte has always been considered an information and education medium by the public. We fear that its analyses or deductions always expressed in Creole have been misunderstood following a bad translation. That would constitute unforgivable thoughtlessness or intolerable interference from Mr. Caputo. The nine parties protest Caputo's tendentious behavior toward a member of the press who is also the chief of a political party, unquote [no opening quote as heard]. This note is signed by many political parties including the Mobilization for National Development, the National Patriotic Movement of 28 November, the Democratic Movement of the Haitian Youth, and the National Cooperative Action Movement. These parties constitute the G-9, the group of nine political parties.

Group Demands Expulsion of UN Mediator

FL1609210693 Port-au-Prince Radio Metropole in French 1800 GMT 16 Sep 93

[Text] The Revolutionary Front for the Country's Progress [Front Revolutionaire Pour l'Avancement du Pays—FRAP], has declared international mediator Dante Caputo persona non grata and has given him 72 hours to leave the country. Otherwise, FRAP warns, the front will demonstrate against his presence in the Haitian capital. Furthermore, FRAP is asking Prime Minister Robert Malval to reshuffle his government in order to widen the concord. Let us listen to FRAP spokesman Louis Jodel Chamblin.

[Begin Chamblin recording, in Creole] There are some foreigners in the country who have been causing disturbances ever since their arrival. I am asking all concerned institutions in the country to take the necessary steps to expel Caputo from the country within 72 hours. Otherwise, FRAP will make the nation take to the streets in order to expel Caputo. The concerned institutions must declare him persona non grata within 72 hours. [end recording]

PANPRA Deplores Government 'Exclusivist Position'

FL16092131193 Port-au-Prince Radio Metropole in French 1600 GMT 16 Sep 93

[Text] The Nationalistic Progressive Revolutionary Progressive Party Of Haiti [PANPRA] says that it notes with apprehension the Malval government's exclusivist and provocative position toward the accords that gave it birth. PANPRA condemns, in advance and without reservation, the government's behavior as dispenser of justice; behavior exemplified, according to Serge Gille's party, by the retiring of President of the Court of Cassation Jonassaint and the dismissal of several state employees.

According to PANPRA, the act of retiring Attorney Jonassaint constitutes a useless provocation reminiscent of the scorn the Preval government held toward the other state powers. The socialist party asks the government to regain its self-control in order to return to its roots and resume dialogue with the country's political, military, economic, and social forces.

Armed Civilians Surround Finance Ministry Again

FL1609174093 Port-au-Prince Radio Metropole in French 1045 GMT 16 Sep 93

[Text] Some armed civilians intervened once more on 15 September at the Finance Ministry. According to a press release from the Information Ministry, the Finance Ministry buildings were surrounded for the second consecutive day by a group of armed men led by a member of the Port-au-Prince community council. The armed men, who were able to reach the office of the minister, demanded that they meet with Mrs. Marie-Michele Rey in order to demand salaries which are alleged to be several months in arrears.

Furthermore, the press release of the Information Ministry indicates that those armed individuals once more threatened the employees of the Ministries of Finance and the Economy. The disruption of the work of the employees of those ministries threatens to delay the payment of the salaries of the state employees of the entire public administration for the month of September. The Information Ministry asks that an end be put to those provocative intrigues which disturb public order. The ministry says that city hall is autonomous and must solve by itself the problems related to employee salaries.

Release Notes 941 Arrests in Aug

FL1609162993 Port-au-Prince Signal FM Radio in French 1030 GMT 16 Sep 93

[Text] The following is a report on the number of arrests and the work carried out by the Port-au-Prince police: The Port-au-Prince police carried out 941 arrests during the month of August: 720 arrests for attacks on people including murder, assault, threats, and slander; 7 arrests for breach of the peace and association with lawbreakers; and 224 other arrests for breaking the law, according to a 10 September press release of the headquarters of the Military Department of the Port-au-Prince Metropolitan Area.

National Assembly Session Postponed for Lack of Quorum

FL1609161693 Port-au-Prince Radio Metropole in French 1045 GMT 16 Sep 93

[Report by Edner Jean]

[Excerpts] The main point in the news is the failure to covene the extraordinary session of parliament. A majority of legislators ignored the invitation from exiled

President Jean-Bertrand Aristide to meet in an extraordinary national assembly. Jean-Bertrand Aristide asked the Haitian parliamentarians to analyze his bills on the creation of a new police force, the 1993-1994 budget, the separation of the police and the Army, and so on. Two reasons might explain the absence of a majority of deputies: Either the fact that their vacation had just begun on 13 September or their discontent at seeing that the president did not include an amnesty among priority laws to put up for a vote. The following is a report by Edner Jean.

[Begin recording] [Jean] The recording of the absence of a quorum was a mere formality because it was obvious that the extraordinary session of the parliament was not going to take place on this 15 September. As early as noon, our deputies—(?divided) into small groups—launched forth into keen discussions on holding the session and on the terms of this extraordinary session of the 45th legislature. Some think there were allegedly legal flaws in its convening. But others think the actions of the deputies were rather a political maneuver aimed at boycotting the vote of the law on the separation of the police and the Army.

Regarding the terms of the session, Deputy Duly Brutus of the Socialist Bloc pointed out that the Governors Island Agreement had been twisted because in his opinion President Aristide should have presented first a bill on the political amnesty for the authors of the coup d'etat.

[Brutus] What has been noted is that there was the Governors Island Agreement. There was also the New York Pact. A general amnesty, the general amnesty is mentioned in both agreements. Unfortunately, in the bill they have not referred to the general amnesty. Well, we think it is a point that is lacking and certainly there are deputies who think this issue must be raised. This can be quite understood because we favor a social conciliation. We think that on both sides we are against any form of violence. There have been deaths these last days. That is regrettable. Due to the climate of conciliation that we wish to have in our country, we think it falls within our competence to raise this problem too, that is the problem of amnesty.

[Jean] This opinion is contested by Deputy Samuel Madistin who considers that the government's step is in keeping with both the spirit and the letter of the agreement signed between General Cedras and President Aristide. [passage omitted]

President of the National Assembly Senator Firmin Jean-Louis explained the reasons why some parliamentarians were unable to participate in this extraordinary session.

[Jean-Louis] Several factors can be evoked to explain why this session could not take place. There is insecurity, there is the fact that the deputies ... [changes thought] that the preceding National Assembly took place only two days ago. So, there are a number of factors that can explain why today's session was not possible. However, I am optimistic. I believe that the session will take place on 20 September and that the extraordinary session will open normally.

[Jean] In the meantime, National Assembly President Firmin Jean-Louis has promised to get in touch with the various political blocs represented in parliament so there can finally be quorum for the next attempt at convening. [end recording]

Jamaica

Prime Minister in 'Normal,' 'Healthy' Condition

FL1609132493 Bridgetown CANA in English 1546 GMT 93

[Excerpts] Kingston, Jamaica, Sept 15, CANA—Jamaica Prime Minister Percival Patterson's doctors have ordered him to rest for a "few days", following his collapse on a public platform Sunday night. [passage omitted]

Minister without portfolio and PNP general secretary, Dr. Peter Phillips, told journalists Tuesday, after thorough checks doctors had determined that the 58 year-old Patterson was "normal and healthy". [passage omitted]

St. Lucia

Official Sees Benefit in Caricom-Cuba Cooperation

FL1609145993 CANA in English 1907 GMT 93

[Text] Castries, St. Lucia, Sept 15, CANA—St. Lucia's permanent secretary in the Ministry of Foreign Affairs, Johannes Leonce, says Cuba and the Caribbean Community (Caricom) can benefit greatly from a proposed Caricom/Cuba joint commission.

According to Leonce, Cuba has excelled and made strides in a number of areas and Caricom, through its association with Cuba, can "tap" these areas for the region's further development.

He said Cuba has excelled in research and medical application of bio-technology and Caricom can benefit from this.

He also mentioned livestock development, fisheries, sugar cane, and human resource development as areas in which Caricom can benefit.

"A lot of our own students are studying in Cuba, and there's a reason for it," Leonce remarked.

He added: "There's a lot that could be gained through the development of a functional relationship with Cuba, and I don't think it will be a one-way affair either."

He said there were also some areas in which Cuba could benefit from Caricom experience.

Leonce felt there was some potential in the area of trade, but was uncertain to what extent it could be "direct" trade in goods and services.

"But certainly there would be room for trade information linkages, where the experience of Cuba and the experience of the region can be put together in terms of developing strategies for relations with other countries," he said.

"We must realise also that to facilitate trade, you need transportation, which is a key factor," he noted. He added that until such time as there can be "viable" sea linkages for transport, trade would be hampered.

Integration Seen As Necessary To Face NAFTA

FL1609195693 Havana Radio Rebelde Network in Spanish 1155 GMT 16 Sep 93

["Our Opinion" commentary by Eduardo Dimas]

[Text] On 14 September, in simultaneous ceremonies, Mexican President Carlos Salinas de Gortari, U.S. President Bill Clinton, and Canadian Prime Minister Kim Campbell signed the parallel accords of the North America Free Trade Agreement [NAFTA] regarding labor, the environment, and safeguard issues. This leaves NAFTA ready for approval by the Mexican Senate and the U.S. Congress. If it were to go through, its 380 million consumers would constitute the largest marketing area in the world.

Upon the announcement of the end of the negotiations phase, Mexican Commerce Secretary Jaime Serra Puche stressed that Mexico managed to block the reconsideration of the text of the accord that was demanded in the beginning by the Clinton administration; that supranational procedures were created; and that the principles of the sovereignty of the three countries were preserved.

In reality, NAFTA and its annexes should not face any major difficulties in being approved by the Mexican Senate; the test of fire is in the U.S. Congress where an important number of senators and representatives disagreed with its terms. However, it is undisputed that the United States will benefit the most from the economic potential of NAFTA. The United States is securing for itself a market with few threats from foreign competition. President Clinton, with the support of four previous presidents, faces an immense struggle in getting the accord approved this year against the opposition of numerous legislators and powerful unions claiming that NAFTA will result in a drop in jobs as manufacturers move production to Mexico where labor is cheaper. For example, a U.S. auto worker makes $14.88 an hour; the Mexican worker earns $1.80 for the same job. Clinton will have to persuade important segments of U.S. society, including his own party, that NAFTA carries strategic advantages to the country. A delay in its ratification on the part of the U.S. Congress could be a death blow for the accord.

Undoubtedly, in the long term, the implementation of NAFTA will be strategically beneficial to the United States, despite the initial loss of jobs. In a world where the economy and, therefore, politics are becoming global, and where regional economic hubs are being created, i.e., Asia and Europe, NAFTA represents a secure market where United States leadership is guaranteed because of its level of development.

But let us look ahead. The prospect of the necessary process of Latin American integration is not acceptable to the United States if accomplished without its involvement. Today, we are witnessing the creation of regional groups in Latin America and the establishment of bilateral accords among its nations. These accords, for obvious reasons, are very likely eventually to be dominated by the United States, which is the major trading partner of Latin American, in general, and of each nation, in particular. Through its economic supremacy the United States can exert its political influence just as it has done throughout history. I believe the main U.S. goal is to create, under its control, not just a market of 380 million people but a market of over 700 million consumers. It seems to me that when President Clinton speaks of strategic goals, he is referring precisely to this.

Not that this is necessarily bad. The United States is a reality that cannot be denied. However, the best option for Latin America would be to reach that unavoidable economic union after having attained its own integration, when, united, it can cope with the drive of the most powerful nation in the world. Otherwise, Latin America runs the risk of remaining what it is today, one of the cabooses of world economy, a subcontinent devoid of prospects and hopes.

Senate Approves Electoral Reform Less 2 Articles

PA1609175393 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 16 Sep 93

[From the "Good Morning From Mexico" newscast]

[Text] The Senate of the Republic has returned two articles of the electoral legislation to the Chamber of Deputies for further discussion. They are provisional Article 18 on the participation of three citizens as counselors in the formation of electoral organizations and Article 246 on the date for calculating the results of the election. During the 45-minute session, the senators missed Senator Jesus Teran Teran, National Action Party [PAN] representative, and representatives of the Party of the Aztec Sun. Francisco Rubio is at the Senate and has this report.

[Rubio] With the absence of two opposition parties, PAN and PRD [Party of the Democratic Revolution], the Senate plenum approved the articles on the modification to the Federal Code of Institutions and Electoral Procedures (Cofipe), excepting Article 246 and provisional Article 18.

In a 45-minute ordinary session, the PRI [Institutional Revolutionary Party] majority endorsed the proposal made from the stand by PRI Legislator Nezahualcoyotl De La Vega.

[Begin De La Vega recording] We base this proposal on the provisions of Article 124 and 125 of the regulation for the interior administration of the General Congress of the United Mexican States. We deliver this proposal in writing to the presidency of the Board of Directors. [end recording]

[Rubio] Regarding Article 246, the joint commissions of the Senate proposed a change in the date for calculating the results of the election. The proposal made by the Chamber of Representatives suggested that the calculation be made the first Tuesday following the elections in an uninterrupted manner. Now the Senate considers that this process must be done the first Wednesday also in an uninterrupted manner.

Concerning the case of provisional Article 18, the PRI proposal postponed until 1997 the participation of three citizen counselors in the formation of electoral organizations. The particular approval of the reform and additions to the Cofipe were approved without discussion.

Costa Rica

President Calderon Independence Day Address

PA1609212593 Panama City Sistema de Television Educativa in Spanish 0017 GMT 16 Sep 93

[Address by President Rafael Angel Calderon Fournier marking the 172d anniversary of Central American independence at the Presidency in San Jose on 15 September—recorded]

[Text] My fellow Central Americans: We are commemorating 172 years of independence. It is an appropriate time to ponder our history; the past, the present, and also the future of this small portion of the world. It is a region small in size, territory, and population, but large in its struggle and permanent defense of the fundamental rights of the individual.

Today, 172 years later, we can correctly say that we are living in a very special time for Central America. We Central Americans have never been more united. It is a time when all the republics, which declared independence 172 years ago, are in the hands of governments duly elected in accordance with the free will of our respective peoples. That is quite significant, because we are all working toward consolidating this extraordinary regional democracy, which will, in turn, enable each nation, their respective democracies duly consolidated, to initiate the real struggle for development.

We Central Americans no longer want to become involved in wars among brothers. The only war we are willing to wage is the war against deprivation, poverty, unemployment, and hunger in thousands of Central American homes. That is where our real struggle lies. It is a struggle that will open the way to development with social justice for Central America, thus making us all feel truly proud. God bless you all.

El Salvador

Officials Oppose U.S. Efforts To Condition Aid

PA1709032293 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 16 Sep 93

[From the "Radio News KL" newscast]

[Text] Members of the Supreme Electoral Tribunal [TSE] have voiced dissatisfaction with a warning from the U.S. Congress to place conditions on U.S. aid to the country because of deficiencies in the campaign to issue voting cards in advance of the 1994 elections.

Magistrate Rutilio Aguilera said all aid is welcome. Nevertheless, he disagreed with the conditions the United States is attempting to impose on arrangements that should be determined by Salvadorans. He added that the massive voting card issuance campaign, now being undertaken by the TSE, will not extend beyond November, as was originally proposed, because it would alter the schedule leading up to election day.

President Cristiani Independence Day Address

PA1609213793 Panama City Sistema de Television Educativa in Spanish 0011 GMT 16 Sep 93

[Address by President Alfredo Cristiani marking the 172 anniversary of Central American independence; place and date not given—recorded]

[Text] Fraternal and warm greetings to the brotherly peoples of Central America on the glorious day of our political emancipation. With civic fervor and from the bottom of our hearts, we render homage to the eternal memories of our patriarchs, who devoted their lives to the noble ideal of making our Central America a great fatherland, where the sun of justice and freedom will shine forever.

We are pleased to see that in the midst of the major transformations and changes taking place in the world today, Central American unification is gradually beginning to become a reality.

Today as we commemorate the heroic events of 15 September 1821, we wish to reaffirm our unyielding faith in Central American ideals and voice our willingness to continue advancing together with our brethren in the process of integrating our nations until we have reached the supreme goal of a great, free, and sovereign Central America. That is what was in the minds of those illustrious men: for our beloved Central America to emerge with its own personality in the forum of nations.

May God bless Central America and strengthen the peace, democracy, and prosperity of its peoples.

Honduras

President Callejas' Independence Day Address

PA1609224093 Panama City Sistema de Television Educativa in Spanish 0012 GMT 16 Sep 93

[Address by President Rafael Leonardo Callejas marking the 172d anniversary of Central American independence; place and date not given—recorded]

[Text] Central Americans: We live in the Republic of Honduras, the heart of Central America. Throughout pre-Columbian, colonial, independence, and modern times, we have sincerely and humbly extended our hand and embraced all Central Americans who, spread out over the physical territory from Peten to Darien, today celebrate 172 years of republican life in a civic manner while thinking of a greater fatherland.

As one of the five states that represent one single geographic and human reality, history has reserved for me, as constitutional president of the Republic of Honduras, this particular honor of respectfully saluting the

peoples of Guatemala, El Salvador, Nicaragua, Costa Rica, and Panama. I salute Central Americans today while we commemorate the historic feat of our forefathers, whose struggle inspired us to seek the best ways to make a reality their aspirations for unity of all the peoples of the isthmus, joined under one single desire by the bonds of history, by our common aspirations, and by the essential search for a better future for our dearest Central America.

People of Central America, many efforts have been made toward our unity. None of them have been in vain. People of Central America, let us not waste one single forum or initiative to achieve the unification goal of our forefathers. Let us not deny what we all want. Our unity can become a reality and we can see this through a simple interpretation of our history. It can be achieved through uniform actions, and today our actions are separated only by certain circumstances.

Central Americans, we must have the conviction and belief that we are a single reality, not different realities; that we are a single geography, not different geographic parcels; that we are Central Americans, not different races and peoples. The world cannot view us differently because we are Central America.

On this Central American holiday, I join all the peoples of Central America in a fraternal embrace as well as the supreme aspirations that one day our efforts will be one of the foundations of the great Central American fatherland of which we all dream. Greetings, Central America.

Rearmed Nicaraguans Plunder Border Area

PA1609234493 Tegucigalpa LA TRIBUNA in Spanish 13 Sep 93 p 78

[Text] Las Trojes, El Paraiso—Panic and tension have overcome the people of this area during the past few days in light of the presence of rearmed groups from Nicaragua, which have entered Honduran territory at least 30 times and, on one occasion, killed a policeman and wounded another, as well as wounded some civilians.

Although the Armed Forces, which sent soldiers to patrol the border, deny reports of the raids and claim everything is in order, the inhabitants of Las Trojes are organizing paramilitary committees to, according to them, stop the invaders, who rob stores, steal cattle, and shoot civilians at point-blank range whenever they want.

The Phantom of the Contra

Since the internal conflict worsened in Nicaragua, there have been at least 30 assaults reported in the 168 villages and hamlets located in the Las Trojes border area near Nicaragua. The assaults have left one policeman dead, one wounded, and two civilian youths on crutches.

Las Trojes is located in the eastern part of the country and is known as "recovered land," since a ruling from Spain declared it Honduran territory following a dispute with Nicaragua that dates back to colonial times.

The inhabitants of the area, who are tobacco growers and stock-breeders, have not yet been paid damages for the environmental destruction caused by the "contras" in the 1980's, and, now, they are being pressured again because, as they claim, rearmed groups from Nicaragua "come and go as they please."

The degree of anxiety is such that the men are always armed and no one goes out at night, at which time the "nicas" enter Honduran territory through areas that are not under military surveillance. There are not enough patrols to cover the entire border area.

Andres Martinez Sanchez, leader of the stock-breeders in Las Trojes, recalled the sad experience of the "contras" whom, he said, killed for as little as a pack of cigarettes. "We do not want to go back to the past," he said.

Martinez Sanchez said he has seen approximately 1,500 armed men in Los Planes, Nicaragua, who easily go to (Naguangueles) in Honduras, and because of this, he moved his cattle closer to Cifuentes. He believes that too few soldiers are patrolling the border and that, because they are assigned to posts, some places are left unprotected. In turn, the armed groups "come and go as they please."

The cattle-breeder said the government should not allow national territory to be used as a stage for robberies and murders by these groups that come to disrupt order. He said: "If this land does not belong to Honduras, they should tell us so we leave. Otherwise, please send us reinforcements."

Policeman Marvin Israel Martinez, a relative of the cattle-breeder, was killed during one of the raids by the rebels, who were armed with AK-47 assault rifles. Meanwhile, Policeman Carlos Antonio Maradiaga is receiving medical attention for a bullet wound in the stomach.

According to Sanchez, robberies are taking place on the road between Las Trojes and Cifuentes, the most unprotected area. Two weeks ago, a bus came under machine-gun fire and Nery Geovany Rodriguez Zambrano, 18, and Alexis Antonio Fonseca, 15, were wounded. They are recovering from their wounds, but not from the scare. Both believe they were saved by a miracle.

Rodriguez Zambrano only remembers that one hour after leaving Las Trojes, before arriving in Cifuentes at 1700, they were attacked with machine guns while the driver yelled at them to lay on the floor while he accelerated to escape.

Maria de Jesus Sanchez, Alexis Fonseca's mother, said everything was calm until these people entered Honduras, and she is asking the Armed Forces to address the problem and end the situation in which the men are being forced to carry guns, while women, the elderly, and children have to remain indoors.

Meanwhile, the owners of the "La Nueva" store said robbers came in the morning, dressed as civilians and

wearing ski masks [pasamontanas] (cap that covers their faces), and took food and medicines from the shelves.

Nicaragua

3-80 Front Claims Recompas Surrounding Camps

PA1709014593 Managua Radio Corporacion in Spanish 2219 GMT 16 Sep 93

[From the "Five O'Clock Sharp" newscast]

[Text] Attention. Attention. The 3-80 Northern Front [FN 3-80] is denouncing the fact that the government has not kept its agreements. The recompas [paramilitary groups made up of former Sandinist servicemen] are surrounding FN 3-80 camps and fighting could erupt at any moment. The FN 3-80 Front led by El Chacal [Jose Angel Talavera] has already presented its charges via the Church. Catholic Church spokesman Monsignor Bismarck Carballo has details of this information:

[Carballo] As your listeners will recall, a mediation commission was formed after the kidnappings in Managua and (Caulatu). The government gave its support to this commission, which comprises the verification commission's Cardinal Obando y Bravo; Dr. Francisco Mayorga, a distinguished Nicaraguan citizen; and, of course, members of the OAS-CIAV [International Commission of Support and Verification] and the Human Rights Commission. The FN 3-80 has officially presented a report, a protest, to Esteli Bishop Monsignor [name indistinct] who passed this information onto the cardinal's office.

The FN 3-80 wants the commission to broach with the government some irregular circumstances that have cropped up, specifically, that the Sandinist People's Army [EPS] has sent armed units to the site destined as a security zone for the FN 3-80. The reason for sending these people there is to cut firewood, allegedly to cut firewood, for the EPS.

The other issue is that the FN 3-80 has detected the presence of two recompa groups led by two individuals known as Cobra and Eligio. These people are in the Rosario area near Sungano and they are assuming a posture of provocation. These situations constitute provocations, and, therefore, the FN 3-80 is reporting this to the commission to alert the public and, above all else, to take this matter up with the government and to obtain an explanation.

The written report [words indistinct] states that since 3 September, recompas have been detected in the San Gregorio area. These recompras comprise approximately 50 men led by Commander Cobra, a former EPS captain. This group is coordinating with the [word indistinct] of Jalapa, and they are justifying their rearmament by pointing to the FN 3-80 presence in this area. This is where the FN 3-80 staff and the CIAV-OAS are located.

There is also another situation that is causing great concern, and this is the presence of cholera. Near the area where the FN 3-80 is located, 21 cases of cholera have been registered. This is a matter of concern and a public appeal is being made to see if it is possible to resolve the situation.

FROC, 3-80 Front Refuse To Disarm, Threaten Action

PA1709001193 Managua BARRICADA in Spanish 16 Sep 93 pp 1, 12

[Text] The Peasant-Worker Revolutionary Front (FROC) and the so-called "3-80 North Front" have rejected the government's ultimatum to lay down their weapons by 15 September. Rather, they are threatening to resume armed actions if their political and socioeconomic demands are not met.

Deadlines and dates "are of little concern to us," they noted. We do not have a schedule, a fixed date, or a deadline, said former Major Manuel Gallegos, alias Pedrito el Hondureno, the leader of FROC. The main goal is "to reach an understanding," Gallegos noted.

Meanwhile, the so-called "3-80 North Front," through a communique datelined Miami, United States, warned the government that the agreed cease-fire has a 60-day time limit. If their demands are not met, they will take up again their weapons and resume military actions.

Among the demands is the removal of General Humberto Ortega, chief of the Sandinist People's Army (EPS), within a timeframe "that should not exceed the next 60 days."

Yesterday marked the end of a deadline set by Violeta Chamorro's government for the rearmed groups to surrender their weapons and thereby comply with the Amnesty Law, which would pardon political, common, and related crimes committed up until that day. Gallegos disregarded the warning that EPS troops will undertake operations in the coming days against groups reluctant to lay down their weapons.

FROC maintains its demands for better social and economic conditions, work, lands, and credits. Meanwhile, in Venecia in the northern Esteli Department, FROC is waiting for the government to meet their demands this week by sending a mediating commission.

According to what Pedrito el Hondureno told NOTIMEX, FROC can count on improved capabilities in carrying out "actions of greater scope" in various cities, once it reorganizes its forces. Gallegos said he is waiting for an official commission to arrive to initiate negotiations on FROC's main socioeconomic demands, and he confirmed he would put aside demands of a political nature.

Gallegos noted that as soon as a mutual understanding appears to be impossible, the doors will open for new armed confrontations. In statements to the Mexican

news agency, the rebel leader criticized Nicaraguan politicians for being being embroiled in "a struggle for power, forgetting that the people are dying of hunger."

President Chamorro Independence Day Address

PA1609224193 Panama City Sistema de Television Educativa in Spanish 0016 GMT 16 Sep 93

[Address by President Violeta Barrios Chamorro marking the 172d anniversary of Central American independence; place and date not given—recorded]

[Text] Central American brethren: On 15 September, all Central American countries are celebrating independence day. We Nicaraguans proudly participated in this event through our forefather Miguel Larrainaga who, through his thoughts, promoted the independence process.

Central American forefathers Jose Cecilio del Valle, Jose Matias Delgado, Jose Maria Castillo, and Miguel Larrainaga envisioned the development of our brotherly nations through the independence of Central America. It was of the utmost necessity to consolidate the process of our independence.

Today, their thoughts demand something more than unity among the Central Americans. Our brotherly peoples want to overcome all difficulties and find a just place in world economics.

May the independence begun by our forefathers extend to us with the same ideals of freedom and progress as well as with the same purposes of unity that made them dream of a strong and vibrant Central America capable of enlightening the future as our Ruben Dario, the prince of Spanish literature, once told our people when he said: Unite, shine together, enrich yourselves. There is so much dispersed vigor. Join and form a single beam of united energy. Thank you very much.

Chamorro Marks Anniversary

PA1609213693 Managua Radio Nicaragua Network in Spanish 1411 GMT 14 Sep 93

[Address by Nicaraguan President Violeta Barrios Chamorro marking the 137th anniversary of the Battle of San Jacinto and the 172d anniversary of Central American independence, from the National Stadium in Managua—live relay]

[Text] (Monsignor Walter Bayo), representative of his eminence Cardinal Miguel Obando y Bravo; Messrs. government branch members; Messrs. cabinet members; Messrs. members of the diplomatic corps accredited in Nicaragua; teachers and students from all over Nicaragua; special guests; and Nicaraguan people: On this September morning, I pay homage, honor, and glory to our fatherland. I am here with the Nicaraguan students to pay fair homage to our patriotic symbols and to our national heroes, who in 1821 and 1856, donated to Nicaragua their best civic values.

This meaningful act serves to commemorate the 172d anniversary of Central American independence and the 137th anniversary of the Battle of San Jacinto. By reaffirming patriotic feelings we attest to the great value of our founding fathers and of our fatherland's symbols.

We have come to renew, together with you, the oath we took as children, to honor the flag and heighten our patriotic feelings in favor of peace in Nicaragua. Any time is good to honor the fatherland, and this is why my government insists on strengthening education. This too honors our fatherland, because in order to ensure Nicaragua's development, we need to be enlightened. Education creates wisdom, health, moral capacity, responsibility, and a love for others. This, therefore, obligates us to shape and strengthen a republic that distinguishes itself through its sacred and democratic values—values built on the cornerstone of liberty and peace.

Our task and our most decided efforts are aimed at achieving these noble goals by fully participating in the notion of the fatherland. All of us comprise the fatherland. Together, our wishes, needs, and the achievements of the Nicaraguan nuclear family—all of these forces outfit us with love and sacrifice for our country.

The fatherland comprises a complete set of cultural and ethical values common to all Nicaraguans, and it provides us with civic heroes, men and women of the countryside and cities who consider sacrifice a daily duty.

This noble meaning is for you, young boys and girls, who should study without fail for the sake of a better future. Dear students, the fatherland should also represent the capacity that we Nicaraguans have to understand and know one another to consolidate the present and future of our Nicaraguan democracy.

As president of the Republic, I am going to take advantage of all the opportunities that present themselves in seeking understanding among all Nicaraguans. I invite you to imitate Rafael Herrera, Miguel Larrinaga, Jose Dolores Estrada, Emanuel Mongano, Andres Castro, Ruben Dario, and poets Alfonso Cortez and Salomon De la Selva, whose birth centennial is celebrated this year.

Today, as every day, the blue and white flag flies over our heads, and the national anthem emerges from our hearts as they burst with emotion. As the good sons and daughters of our fatherland, we admire the national coat of arms, which has at its center the symbol of liberty, and we embrace with maturity and fullness the ideas of peace and equality.

Today we meet regardless of our political persuasions and with no ideological differences to ensure that this tribute to the fatherland is a testimonial of our nationality and identity, convinced that we extol the true values of our national history.

I also invite you to do your duty and face today's challenges because of our commitment to Nicaragua.

Each one of us, from our places of work and study, are obliged to contribute to our fatherland in order that every day the eyes of the world see us as a prosperous nation, thanks to unity and patriotism.

On the occasion of this celebration I wish to remind you that when you return home you should take your books, study hard, and learn to take advantage of the resources the government invests in your education in the name of the Nicaraguan people. You should also talk to you parents, friends, and teachers about what, for us, is an example of unity, peace, and liberty. We need to put these sacred ideas—ideas represented by each of us and by our nation's symbols—into practice and reward our fatherland with loyalty and everyday accomplishments.

I also greet this morning the honorable diplomatic corps, especially the Central American ambassadors, to ensure that Francisco Morazan's unionist efforts may soon be a reality. From the heart of our continent, we should work day in and day out to consolidate democracy, peace, and progress. The fatherland will reward those who best serve it. God bless you all. God bless Nicaragua. Long live free Nicaragua! [applause]

Transportation Commission on Work Stoppage

PA1609230993 Managua Radio Corporacion in Spanish 1030 GMT 16 Sep 93

[Communique by the National Transportation Commission, announcing a suspension of bus and taxi service on 16 and 17 September, issued in Managua on 16 September—read by announcer]

[Text] Whereas: 1. All Nicaraguan people know that the central government has refused to receive members of the commission.

2. This commission would have presented a document with the proposals and demands of the transportation sector following its public march in Managua, which was successful.

3. We hereby make known that our activities and protests are only civil in nature and not at all political, because we stand for all national transportation sectors.

Therefore, we have agreed on the following:

A. Public transportation will be suspended on 16 and 17 September from 0000 to 0900 local time [as heard], at which time service will be resumed.

B. We reiterate to the government authorities that any repressive activity directed against public drivers will have the effect of aggravating and accelerating our actions.

C. We demand the general population's solidarity with and understanding of our actions. Everyone should understand that these actions benefit the entire population because the increased fuel prices and the illegal tax collections will inevitably be transferred to public transportation passengers.

[Signed] Luis Molina Vega, secretary of the National Transportation Commission

Drug Trafficking Network Spotted Along Border

PA1609044693 Managua LA PRENSA in Spanish 13 Sep 93 p 6

[Report by Jose Acuna]

[Text] Sapoa—Nicaraguan Army sources have reported the existence of a well-organized international drug trafficking network operating along the southern border. They also have reported that agricultural areas along the border have been illegally extended by Costa Rican farmers, a situation that has created a series of irregularities in violation of national sovereignty.

According to statements made by Captain Reinaldo Silva, military chief of the Southern Zone, the region bordering Costa Rica has become fertile land for international crime, especially the trafficking of cocaine and other drugs brought into the country, even by sea.

Authorities have received reports that speedboats coming from Costa Rica, possibly linked to the Colombian drug cartels, are entering southern Nicaragua with heavy cocaine shipments and all kinds of drugs and drug-related substances, to the point that there are even reports of the installation of drug processing laboratories in this part of Nicaragua.

Military forces have found, in the past, large marijuana plantations, both in the southern regions of Cardenas as well as in San Juan del Sur, the municipalities of which have seen a great increase in the cultivation of marijuana. Drug traffickers have easily avoided the weak military presence in the area.

According to Cpt. Silva, the military garrison stationed in the Southern Zone is responsible for patrolling 80 km of territory shared with Costa Rica, but he noted that in view of the economic crisis in Nicaragua, the Army only has the capability of posting two soldiers every 3 km.

Cardenas Mayor Hilario Sanchez has, with great concern, reported this situation to top government officials, because it can no longer be tolerated. Costa Rican citizens, who own land in the northern part of their country, have deliberately extended their farmland up to 60 manzanas into Nicaraguan soil.

According to Sanchez, "The Costa Ricans are entering our country illegally and are carrying weapons of all calibers," who also said the Costa Ricans are responsible for indiscriminately chopping down trees all along our southern border.

The reports that have been released also note the presence of foreign hunters, who are killing wild animals to the detriment of Nicaragua's fauna, with some species facing the threat of extinction, such as deer, armadillo, and a wide variety of monkeys.

Panama

Vice President Ford Opposes Constituent Assembly

PA1709040193 Panama City LA ESTRELLA DE PANAMA in Spanish 13 Sep 93 p 1A

[Report by James Aparicio]

[Text] First Vice President Guillermo Ford has expressed his opposition to the election of a national constituent assembly during the 8 May 1994 general elections. At the same time, he warned that no political party can expect to reach power based solely on its own votes.

Ford also indicated to LA ESTRELLA DE PANAMA that recent statements by First Lady Ana Mae Diaz de Endara describing him as an arrogant rabiblanco [derogatory term used to describe upper class Panamanians] "was a closed chapter."

"I am going to respect all Panamanian women, especially the first lady. In no way am I going to comment on her statements because I respect her," Ford added.

In rejecting a break in the official alliance integrating the Arnulfist Party and the Authentic Liberal Party, Ford reiterated that "on its own, no political party stands a chance of winning the 1994 elections."

This past weekend Ford, a member of the Nationalist Liberal Republican Movement (Molirena) and the party's presidential candidate, started a political tour of Veraguas, as well as of the district of Anton, Cocle Province. During the tour it was announced that legislator Mario Boyd Galindo would be running for reelection.

In a more conciliatory tone, Ford stated that a national constituent assembly "is not included in the national Constitution."

When asked about the crisis taking place within the Christian Democratic Party, Ford declined to comment on the issue and stated instead that "all political parties are subject to internal disagreements."

"Political parties, just like the best of families, also have their problems," Ford said. He did not discount the fact that the three-party alliance currently in power could attract new parties into the coalition. Nevertheless, he refused to mention any names "because it all depends on those other parties."

Rumors within political circles indicate that the Popular Alliance Party, Independent Democratic Union, and the National Integration Movement would support a progovernment slate of candidates.

Ford, however, abstained from confirming this, as well as any type of conversations with the Solidarity Party. Nevertheless, he did not deny that conversations with this political party could take place.

Ford insisted that Molirena will seek a nonviolent election process because, in his opinion, "the Panamanian people are weary of shocks." Moreover, he emphasized that the Revolutionary Democratic Party [PRD] would not be returning to power because "a return to the near past would be a real shame, as well as a disgrace."

Two public opinion polls conducted during the months of May and August by Schrot and Associates and the Center for Latin American Studies (CELA), respectively, reveal that the PRD is preferred among voters from the provinces of Panama and Colon who fondly remember Torrijism and General Omar Torrijos.

During his weekend tour, Ford was accompanied by Molirena President Alfredo Ramirez; Secretary General Luis Casco Arias' legislator Mario Boyd; Luis Narvez, director of the Institute of Renewable Natural Resources; Finance Minister Mario Boyd Galindo; former Chamber of Commerce President Ricardo Aleman; Free Zone Manager Jaime Ford; and activist Rene Crespo.

Ford announced that during the next few weeks Molirena would hold political rallies in Colon and San Miguelito. On 2 October, Molirena women will be staging their national congress, and in 45 days, he will be announcing his government program.

He indicated that his strategy will consist of proposing solutions to the high unemployment and poverty rates affecting approximately 40 percent of the population.

Brazil

Finance Minister Holds News Conference

PY1509000193 Rio de Janeiro TVE Television in Portuguese 1317 GMT 14 Sep 93

[Address to the media, followed by news conference, by Finance Minister Fernando Henrique Cardoso from the Finance Ministry in Brasilia—live]

[Text] Thank you for being present here in Brasilia this morning. I want to begin by giving a brief explanation, and then I will answer some of your questions, not many, just a few.

I want to begin by reasserting what I have been saying since I was installed as finance minister. I said there would be no shock. I have only one word. I confirm what I said in the past few weeks. There will be no economic shock; the law will not be disrespected; there will be no arbitrary measures. This is because Brazil is tired of such measures. Speculations harm the country. I have said since the beginning, since I was installed, that I had no magic economic plan and that I was not here to sell you any illusions.

Today I simply want to render accounts because in a democratic government system like ours, all the ministers must obey the orders of the president and inform him on what is going on. They must also inform Congress and the people, because the people are informed through the media. That is what I am doing now.

Three months ago we announced the immediate action plan. We then announced what we would do. The government has a direction. This ministry has a direction. It will not modify its direction to serve other interests—no matter how much noise they make—that are contrary to the needs of the country which must attain sustainable development and really—not only in words—reduce inflation.

I said at that time that we had to reflect on the truth of the public accounts because the diagnosis we then made, and which I still maintain, showed that the economy was doing reasonably well. I will return to this subject. That diagnosis revealed many problems in the public sector, mainly in public finances. I then said that it is not possible for a country to attain sustained development in benefit of its people if it cannot put its public expenses in order. I said this because we have what I called drains which are holes through which our resources drain and end up by becoming inflationary instruments. Well, this is why we need a budget that expresses the reality.

And that is what we did. To attain this we relied on Congress, which did not deny us its cooperation. The 1993 budget was redone. As we reorganized it, we suggested a 50 percent cut in expenses where possible, that is, expenses that did not affect payrolls, constitutionally-authorized transfers, or the payment of government debts.

Congress understood our suggestion, accepted it, and sanctioned the budget. On that occasion I said in Congress that if the budget were approved I would comply with it according to a preestablished timetable. I said that we would spend 15 percent of the budgeted allocations between July and August, 38 percent between September and October, 42 percent between November and December, and the remaining 5 percent to pay [a pagar]. We clearly told the Congressional Budget Committee that this budget would be respected and that is what is happening.

I will now say something that I have not yet said: Disbursements are being made according to the mentioned timetable. That is, there is no longer the possibility of yielding to pressure to release resources because they are being released according to schedule. We have done this to fight corruption.

Point two [as heard]. Resources have begun to flow. I think we will have more resources than we can spend. Therefore we will save more than what we expected. Given that budgets were prepared based on an illusion rather than on reality, they were always overestimated to obtain a surplus because it was considered that the government would only release resources in the last few months of the fiscal year. When resources are released according to schedule, funds are available for programs that are not ready to be executed. This shows that a rational administration can save money and allow more programs.

Beside the expense cut we reformulated the 1994 budget and the [word indistinct] budget law. The 1994 budget law was presented by the Planning Ministry just as it is. This means that the Finance and Planning Ministries are not willing to pay for the large deficits that were planned. Therefore, we will again ask Congress to cooperate this year so that the 1994 budget will be balanced. This year, that is in 1993, we will not allow primary deficits. We will discuss with Congress mechanisms through which the budget may be modified so that the 1994 budget will be totally under control. Instead of embellishing our figures we left them as they really are to allow a rational debate so that they will allow us to do what Brazil needs, that is, a government that controls its expenses.

Beside this, when I announced the immediate action plan I also said that we could not limit ourselves to simply cutting expenses. I said that we must also increase our tax collection and firmly fight tax evasion. In my first address to the nation I said that some tax evaders would have to be sent to prison. For the first time in years, thanks to the courts and an administrative action, some people were sent to jail—not for having stopped paying taxes for lack of resources, or for having gone bankrupt, but for plain tax evasion, for having committed a crime, for really trying to deceive the revenue office, some people were sent to prison. This is not really the objective of my administration. The objective of a

government is not to send people to prison, but to make people respect the law and pay their taxes. They now pay.

We have already sent a considerable amount of notifications, including nearly 2,000 tax demands. We sent 22,000 tax-collection notices, 300,000 notifications, more than 200 legal actions, and notified 15,000 contributors that they still some income tax. Through this great effort by the federal revenue office, tax collection increased considerably. Comparing the first half of 1993 with the same period last year, we can see that collection is up by 31 percent.

This does not mean that a similar increase was reflected in the National Treasury. Many people confuse these numbers because the Revenue Office considers as met agreements to which it has consented and which will be fulfilled during the next few years. This is why there is a difference between the figures of the Revenue Office and the National Treasury. It is not that they are using different figures, they apply different methods. Expenses must be controlled not according to Revenue Office statements but according to National Treasury revenues.

I am saying this so that the media will not say later that we are manipulating figures. We are not manipulating anything. These are two different things. In real terms, during the first half of the year tax collection increased by 31 percent. This does not mean that the National Treasury revenues increased by 31 percent. The National Treasury revenues increased 20 percent.

So we have complied with what we promised regarding tax evasion. We also said that we would effectively control other kinds of tax evasion and the wrongful use of resources. We said that we would adopt some measures to control federal and state banks.

In the case of state banks, the National Monetary Council approved the white collar law which means that even if a governor orders a state bank to finance his government, the state bank director will be held responsible for this operation. He must either disobey the governor and resign, or he runs the risk of going to prison, allowing the prosecutors' office to freely take action.

This law is valid for all federal and state banks. In our effort to also control the whole financial sector, I today sent the president of the Republic a complementary draft bill authorizing the Central Bank to control the federal banks just as it does with private banks. Therefore these banks may be legally intervened whenever they cease to be administered with austerity.

Within this effort of normalizing relations between the federal government and state governments and banks, we said it is necessary to adjust our accounts with the states and municipalities. Many attempts were made in the past with this objective. When I was senator I witnessed several negotiations, I even voted for some laws. We have now chosen a slightly different way. In close cooperation with Congress—especially with Deputy [Germano] Rigotto, who sponsored of the law in Congress—we chose to negotiate with the states then before the law was approved by Congress and, consecutively, [passage indistinct] the law to ensure a realistic relation between the states and the federal government.

Well, so far 11 states have signed an agreement and six more states will do so next week. In all 17 states. People said it would be impossible to reach agreement, that there would be strong political opposition, and that there would electoral manipulations. All this is true, yet we have signed this agreement, the law has been approved by the Chamber of Deputies, and it is currently in the Senate. I am in permanent contact with the Senate Economy Committee and this law will surely be approved in the Senate.

Once approved, this bill will sanction what we are already doing, spontaneously, through agreements with the states. This move has great advantages because we have adopted a policy to reestablish payments without worrying about suffocating state finances, and we also approved conditions for them to be able to pay and give guarantees to the federal government.

The government has also fulfilled its obligations here. We did in three months what we said we would to put public finances in order. We have not forgotten the issue of our internal and external debt: Negotiations on the foreign debt are moving ahead. I will travel to the United States at the end of the month, independent of these negotiations, to attend a meeting with IMF officials. I will talk with IMF and U.S. Treasury officials who handle the issue of zero coupon bonds. I will also talk with banks committee representatives. The truth is that thanks to [former Brazilian Debt Negotiator] Pedro Malan's work it was possible to reach a very broad agreement with the creditor banks. We are in permanent contact with our negotiators; yesterday I talked with [IMF Managing Director] Mr. Michel Camdessus on the phone. I have followed our negotiations closely. Indications are that the international financial community understands this government's great efforts to put our house in order by introducing fiscal and tax reforms. But even without this reform we are continuing our austerity plans. We think we can reach a broad understanding to ease the burden now resting on this government's shoulders.

We also fulfilled our commitments over our internal debt. We said we would do what was later called opening the Central Bank Black Box [separating Central Bank from Treasury accounts]. It is true that the Central Bank had changed the way it handled things for some time. Therefore, we took the decisive step, the difficult step, last week of consolidating the balance in Treasury and Central Bank accounts and of drastically reducing the internal debt through the mechanisms we hereby present, and which have dramatically changed Brazilian domestic debt scenario. Brazil today can say—and this is recognized by our international negotiators—that we do

not have an unbearable internal indebtedness situation. On the contrary, our domestic debt is absolutely administrable. What we did resulted in a reduction of our domestic debt of more than $32 billion. The mechanism was to transfer Central Bank debts to the Treasury. It is not mere juggling. It is a mechanism to make things clearer in order to permit us to act. We have also reduced our debt by some $9 billion with Central Bank resources. Instead of spending money on other things we used it to pay our debts.

You must realize that with this adjustment we are also reducing this year's budget and particularly next year's budget by more than $8 billion. This amount represents what it would have cost to renegotiate the debt we paid off. I can assure you that we will continue to working in this way. The next government will receive an absolutely calm and controlled situation regarding our domestic debt. The measures we are implementing every day, without any display, coherently seek to reduce the debt to reasonable levels in order to permit what is really important: the continuation of the policy to reduce interest rates.

Obviously the Central Bank, just as in any country in the world, is responsible for our monetary policy and there will be a moment when it will push interest rates upwards to compensate other economic factors. But we are not basing our fight on inflation solely on high interest rates. On the contrary we are working to reduce interest rates.

I must also say, as everyone knows because I have said it many times, Itamar Franco government's policy is to lower interest rates on government bonds. Interest on these bonds have dropped by more than 50 percent in real terms so far. If you look at the IGPM [Market Prices General Index] since Itamar Franco took over and compare it with interest rates you will see that the real value of interest rates dropped by 10 percent. This is a significant accomplishment and relates to with the possibility of growth.

Obviously this is a difficult issue because interest rates in nominal values are always high due to inflation. We need to discount the inflation rate to evaluate the real interest rate, and we can determine that only after the event.

Here, once again, we have fulfilled what we said we would do. We maintained our policies and despite pointers to this or that adjustments, we continued to implement them with absolute tranquility.

We also said we wanted to speed up the privatization process, but we could not privatize more than one company per month. There were moments when the average was 1.5 companies per month. However, what is important was to continue the process until we can implement the additional measures, which I will discuss later.

Within this policy which seeks to continue with the privatization of state-owned enterprises, I would like to thank here Andre Franco Montoro Filho, who was chairman of the commission that succeeded in concluding that process. As chairman of that commission I would like to say here that we modified some things; namely, we increased the amount of money buyers will have to pay in cash when government-owned enterprises are auctioned. Moreover, with regard to Cosipa [Sao Paulo Iron and Steel Company], the government kept significant lots of preferential shares with a view to obtaining greater profits in the future by the sale of those shares. Now considering the auction of Acominas [Minas Gerais Steel Company], we scored an impressive gain, as the amount the company fetched was very, very positive, and much higher that the floor price established for the company. This also proves that valuations must be realistic.

And yet the most important thing about privatizations is that there should be no shifts during the privatization process. In this way more people will be interested in participating in the auction, and the company will fetch higher prices, as slanderous accusations seeking to cast a slur on the privatization process cause more damage than all the efforts made to keep it aboveboard, so as to stave off those accusations and enable investors to have trust in the process. This in turn, makes competition among bidders more keen, companies fetch higher prices, and thus government profits increase.

Persio Arida had no sooner been installed as chairman of the National Economic Development Bank than he started to design the new privatization policy, which the government will publicize at the end of this month or the beginning of October. He is going to define exactly which government-owned enterprises are to be privatized—a considerable number of companies that have so far not been included in the list will now be privatized. Arida said that the time has come for the privatization process to become more democratic, so that more people might have access to buying public companies' shares. We are going to establish the so-called social currencies [moedas socias], i.e. workers' pension funds may also benefit from privatizations, so that it is not only the group of people who already know about the privatization process, and are interested in it, who can participate in auctions, but so that Brazilian society in its entirety may also participate in this process. All this will also entail a more open privatization process.

Despite the setbacks of this program, the truth is that with the sale of Acominas we completed that privatization of all the iron and steel industry which, as I have already mentioned before, cost the Federal Government more than $12 billion over the last 10 years, while the companies that were in the first lot that was privatized cost the government $21 billion. We managed to put an end to this expenditure.

I have already mentioned that we are currently involved in the supervision of federal banks—and I am going to

submit this issue to the president today—thus completing the stage of the things we deemed crucial in the Plan of Immediate Action to put our house in order.

We are confronted with serious problems. I have said time and again that one should not put the cart before the horse. I have said time and again that any attempt to stabilize our currency, without clearly defining basic issues such as confidence in the government and public credit, the basic need for clear and balanced accounts, the strengthening of the weakenesses of our economy, would be a short-lived solution that may have electoral purposes. I am not, however, willing to follow this path. I never was, am, or ever will be willing to follow this path. We are doing what we deem important and will continue on this path. This does not, however, mean that we will ignore the inflation problem, nor that it has soared.

I am aware that the rates vary, I am aware that those who speculate are concerned over the FIPE [Economic Research Institute Foundation] rate because it does not reflect significant increases in the inflation rate. Last month the IGPM did not reflect the inflation rate increase, and those who speculate want the rates to reflect the inflation rate increase. If this is not the case they become suspicious of the rates. Fortunately, every month it is a different one, now it is the FIPE, last month it was the IGPM. Nobody has a magic wand, neither to determine what the inflation rate for the next month will be, nor to produce a magic solution to the inflation problem. There is no magic formula for this problem, and whoever has tried to use a magic formula has failed. We are aware we must fulfill a phase and this is what we are currently doing. It is no secret that the process to curb inflation in Mexico took several years. Not long ago in this same hall, [Argentine Economy] Minister Cavallo told us that this process in Argentina lasted approximately three years, and that there is no point in starting at the end of the process, that one needs to understand the entire process.

I do not mean with this that Brazil will have to wait three years. What I want to say is that we are speeding up the implementation of the necessary steps to be able to confront the inflation problem with the necessary energy.

Yet I would like to say that we are going to insist, because it is important for the implementation of the fight against inflation—which will succeed—on continuing to balance government accounts, and to strive for tax reform, and especially for fiscal reform, because we are significantly increasing our revenues. Expenditures, however, are growing faster, and we cannot permit this to happen, because if this happens Brazil's—and not the minister's—legitimate desires to control inflation will be frustrated.

The facts of the matter are that we are on the right course. This path has been followed by those who safely controlled inflation in their countries. There are many experiences teaching us that there is no point in curbing or fueling inflation in newspaper headlines. We have to curb inflation in our everyday life.

I have said I would never endorse any public official owing tax debts, and I didn't. I did not support any one. A price had to be paid for this attitude, a price in terms of everyday activities; in terms of political activities; in terms of pressure whose origin you cannot identify; and many times in terms of silent work, because in the economy, decisions should not be noisy but consistent.

We will curb inflation. Brazil will curb inflation. Brazil is getting ready for that. Brazil is doing it the right way, through this hard work of putting our house in order, clearing the area.

I reiterate that we will not resort to any magic. No one has to be upset, and much less speculate over what will happen on D Day, because there will be no D Day.

The government, through the president and through me, is consistent in what it says. We will not suddenly change our course. We will continue on this course, and as we clear the way the options for policies to curb inflation will become clearer.

Such options are not simply one single measure, but a set of measures. We are already adopting measures. The measures that I described are necessary for fighting inflation. They may be insufficient, but without them nothing will be sufficient.

I would also like to emphasize, because this is the government's orientation, that we do not maintain that fighting inflation calls for blessing recession. On the contrary, over the past few years we have seen attempts to control inflation by increasing interest rates and recession.

The only result of this was to stabilize inflation at a very high level, doing great harm to people, who were hit by unemployment; to enterprises, which lost their markets; and to the country, which became weaker.

The government is pleased to say that growth rates remain positive. The energy consumption growth rate remains at 7 percent, which is very high.

Private institutes estimate that the Gross Domestic Product will grow by more than 5 percent this year. I don't know why. I do not like miracles, and I do not know what will happen. Yet there has been a sustained growth trend.

A short time ago I talked with the Santa Catarina governor about other issues. The governor told me—I am mentioning this case because he phoned me 10 minutes ago—he told me that Santa Catarina gross exports today surpass Rio de Janeiro exports, that the per capita export figure is higher than that of Sao Paulo, that ICMS [Merchandise and Service Distribution Tax] revenues continue to grow beyond the inflation rate, that

this year's demand for seeds has reached an unprecedented level, and that the demand for financing loans has not been very high.

I could give other examples from several other places in the country. We decided to finance crops consistently, with an expected increase in production. Not only did we provide the funds at the right time through the plan for immediate action—we said we would do it in July, and we did—but we also created the rural financing certificates, which were linked with stock markets, even with the Sao Paulo futures market—with a link with Chicago.

This has permitted the implementation of much more expeditious financing mechanisms. Even if this produces no effects this year, the effects will be seen next year. The Treasury will thus be free of the need to finance a major portion of crops. The Treasury will then be able to finance those who need, the owners of small and mid-sized farms.

We are expecting to have quite sizable crops, depending on the rain. We have done what had to be done from an institutional viewpoint, because next year we want big crops.

The production of cars has hit a record this year, with an expected total yearly production of 1,300,000 vehicles, in addition to the 100,000 vehicles that are being imported this year. This figure amounts to barely 20 percent of vehicle exports. This means that the local market absorbs production.

I have been contacted by Abinee [Brazilian Electro-Electronic Industry Association]. They told me that they had record production last month, particularly in the area of television and video sets, as well as in air conditioning units and household appliances in general. There is an accentuated industrial growth. We want this growth to continue next year. I repeat: We are not supporting a recessive policy.

Our exports have been increasing. Last month we exported $3.7 billion and imported some $2.6 billion. Imports in the field of capital goods have been increasing significantly, and this means that there is investment, that there is renewal. In the real economy, there is no sign of a problem except in the Bahia State cacao producing sector, which has been facing difficulties. This is the only problem, because even the production of coffee has improved as a result of the consistent increase in its price. Prices for soybeans and corn have also increased consistently. Our economic situation is therefore promising. Our reserves continue to be excellent. There is no problem in the real economy. I am mentioning that because this fact allows us to maintain the employment level and increase the number of jobs.

The Brazilian people need three things: food, jobs, and the fight against inflation. The government is not forgetting these three things. The level of jobs is maintained through support given to economic activities. As for food, I have been in contact with current Agriculture Minister Jose Eduardo Vieira, and we are selling beef and corn from the government reserves, and will stock enough foodstuffs for next year. We are paying special attention to the storage of foodstuffs. We are not unconcerned about the scandal over the government foodstuff stock warehouses. We have adopted measures to prevent this sort of scandal, this industry dedicated to exploiting the people. Jobs, foodstuff reserves, and hunger. Despite all the budget difficulties, we have not denied resources to priority programs seeking to fight hunger. Not to the school snack program, to the milk program, nor to the work fronts created in the northeastern region. We have recently obtained the means to ensure that these fronts will continue to receive these resources until the rains come, as long as these resources continue to drip into the Treasury. We have been meeting all the requests made by the comission that is in charge of solving the hunger problem.

There has been difficulty regarding settlement of the rural population, as Congress has cut back the amount earmarked for rural settlements by 50 percent. I have already told Dom Mauro Morelli [bishop of Duque de Caxias, Rio de Janeiro State, campaign against hunger leader] that, in face of real difficulties, we will find the resources to settle the families if there is the possibility of doing so. It is useless to have plans for rural settlements on paper without having settlements coherently organized. If proven necessary these resources will be found.

Therefore, by adopting decisions regarding its reorganization, by reorganizing the economy, and by fighting inflation, the government shows that it is not ignoring the social problems of the country. We are also aware that some sectors have increased their prices above the inflation figures without any reason for doing so. We also know that the nervousness which has been artificially created by rumors of the implementation of outlandish plans result in unduly increased prices.

The oligopolies will have to hold more frequent talks with the Justice Ministry and with the CADE [Administrative Council for Economic Defense]. These talks will not seek to implement price control, but to ensure the right to free competition. No country with a dynamic economy can allow abusive increases in prices without competitiveness.

At the same time we believe that in this fight in favor of the people's economy, we must pay a great deal of attention to the following: As we have opened the economy—and we did it consciously, despite all the pressure exerted to prevent me from taking the steps necessary to give continuity to the policy of reducing import fees—we stuck to our decision. This does not mean that the government is not carefully controlling dumping. Every time the industry and commerce minister reports a concrete dumping case, such as in Caraiba in Bahia State, the finance minister will not hesitate to

increase fees. We must act the way the developed capitalist countries do: While having open economies, they do not accept this sort of disloyal act to the detriment of the local producers.

We must implement compensatory measures. Other countries implement compensatory measures and we will do so too. Therefore, I believe we are treading the right path. Inflation will drop. I do not ask the people to be patient because they cannot be patient. The people suffer everyday. The finance minister would not be fair, would be hypocritical, if he were to ask the people to be patient. Instead I ask for understanding from those who have to make decisions, understanding from those who disseminate information so that they may accurately report what is going on in Brazil, so that they may report that we are making a great effort—as is our desire and duty—to maintain an open and democratic system. We are, therefore, enduring fair pressure from everywhere. By continuing to smooth the path that lies ahead, by putting our house in order—as I always say—and by making public finances both more clear and by putting on the right path, we are also guaranteeing our economic growth, not forgetting that the partial struggle to curb inflation cannot be implemented to the detriment of the poorest sectors of our population. Consequently, compensatory measures are being implemented and will continue to be implemented for as long as is necessary.

I am certain we will be successful with this, that we must continue to make progress along the path we have chosen. We must persevere—because Brazil has persevered—and ignore the political comings and goings. In spite of them, we must continue on the chosen path, without paying too much attention to rumors, insinuations, attempts to see a concealed intention between the lines—because concealed intentions are only heard by priests in confessions or psychoanalysts torturing their patients. Anyway, who knows what my intentions are. What is valid is what one does, not what one intends. I am not talking about my intentions, I am talking about what I have done, what we have done, what we will continue to do.

We now have an excellent team, and it would be hard to find a similar team. There might be one but it would not be easy to find. We have a competent team in this ministry, in the Planning Ministry, and in other ministries. We have the capacity to adopt the necessary measures at the opportune moment, no matter what the emergency may be. We are responsible for what is done, there is no point in speculating what so and so wrote in such and such a year, on this or the other idea. The finance minister and the president of the Republic make the final decision regarding the path to be followed by the country's economy. This is what a democratic system entails. Those who were elected have the responsibility. The rest cooperate, have ideas, they may, and indeed do, have their own ideas but the final decisions are made by the government. These decisions do not stem from opinions. It is not healthy for the country, for Brazil's development, to speculate on opinions or viewpoints that may be questionable, but are not approved by the government.

Excuse me for speaking for longer than planned. I just wanted to point out today, just as I said three months ago, that I have never considered implementing ostentatious measures, or even addressing the nation over a television network. I just want to tell you, to show the people that we have taken a path and that we will not stray from it. This path will result in growth and the curbing of inflation. Thank you very much.

* New Oil Drilling System Begun in Campos Basin

93SM0409B Sao Paulo GAZETA MERCANTIL in Portuguese 12 Aug 93 p 16

[Article by Rio correspondent Fatima Belchior]

[Text] Early yesterday morning, Petrobras [Brazilian Petroleum Corporation], began operations under its Bijupira-Salema pilot project in the Campos (Rio de Janeiro State) basin, which is already producing 7,500 barrels of oil a day from a single well. By January 1994, the project will be contributing a total of 20,000 barrels of oil and 250,000 cubic meters of gas a day.

In making yesterday's announcement of the operation of the new system, which uses the semi-submersible Petrobras XIII rig located at a depth of 625 meters, the director of the state enterprise, Joao Carlos Franca de Luca, emphasized its economic and technological aspects. "Within three years, it will generate a profit of $150 million. It represents the consolidation of Petrobras deep-water technology," he observed.

The Bijupira-Salema pilot project is composed of the two fields of the same name that were discovered in 1990. From the beginning of exploration until all of the wells are in production, $102 million in investment will be required. According to Luca, since the rate of return is 104 percent per annum, the system will pay for itself in the first year of operation.

Also according to Luca, the cost of producing oil in the Bijupira-Salema system, including investments and operating expenses, is $8.50 per barrel, compared to an average cost of $12.00 a barrel for the Campos basin. In deep water (beyond 500 meters) in that basin, the average cost is less than $9.00 a barrel.

"This system represents a means of generating wealth for this country," Luca noted, comparing the $8.50 per barrel cost to the import figures. At present, Petrobras is paying about $18 (CIF basis) per barrel of imported oil. Considering that there is a 38 percent import duty, i.e., $6.80 per barrel, imported oil actually costs $24.30, more than twice the cost of deep water [domestic] production.

Bijupira-Salema is starting production with Well 3-RJS-438, located at a depth of 737 meters in the Bijupira field, which is connected to the rig by pipelines. Two more wells will start producing by December. And in January, Petrobras will be taking oil and gas from four wells in the pilot project. Those wells will produce light petroleum, which is suitable for production of by-products like gasoline and diesel fuel.

Luca expects to end the year with a petroleum output of more than 700,000 barrels a day. Contributing to this will be the Bijupira-Salema system, new wells in the Pirauna-Marima system and the Albacora field (also in the Campus basin), besides the Caravela field in the Santos (Sao Paulo) basin. The latter will begin producing 10,000 barrels a day this September.

At present, when this country consumes 1.2 million barrels a day of petroleum, it produces 670,000 barrels a day, of which 64 percent (435,000 barrels) comes from the fields along the Rio de Janeiro coastline. Petrobras has about 40 deep water wells in production.

Chile

Travel Agencies Warn Tourists of 'Danger' in Florida

PY1609113593 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1800 GMT 15 Sep 93

[Text] Following the recent attacks on foreign tourists in Florida, United States, Chilean travel agencies are handing out pamphlets warning their clients.

So far this year eight foreigners have been murdered in Miami. Despite this, that city is still one of the main destinations of Chilean tourists, especially because of its low cost, as is proven by the fact that no tickets have been canceled and flights are full.

[Begin Rolando Uauy, Chilean National Airline regional manager, recording] The demand for tickets to the United States is normal for this time of the year. There is high demand and, thank God, all flights are full until after the Independence Day celebrations [18 September]. [end recording]

The recommendations to foreigners travelling to Miami seek to make them aware of their safety and of the need to maintain a low profile.

Honecker Reported 'Critically Ill'

LD1609154693 Berlin ADN in German 1428 GMT 16 Sep 93

[text] Berlin (ADN)—Erich Honecker, former chairman of the GDR Council of State, was taken to Las Condes Hospital in Santiago, Chile last night, the Berlin magazine SUPER ILLU reports. Honecker's wife Margot is concerned for Honecker's life.

He is suffering from cancer and so far has consistently refused hospital treatment, the magazine reports in its latest edition. Speaking on the telephone from the hospital, Margot Honecker said her husband is very ill. According to the magazine, Honecker suddenly coughed up blood on Wednesday afternoon. He refused food all day and he was only able to breathe with great difficulty.

Colombia

State Strengthening Respect for Human Rights

PA1509195593 Santa Fe de Bogota EL TIEMPO in Spanish 10 Sep 93 p 6a

[Text] In marking National Human Rights Day yesterday, President Cesar Gaviria pointed to the efforts his administration has been making to protect the men in uniform and condemned the guerrilla's viciousness. In addition, Human Rights Ombudsman Jaime Cordoba Trevino accused the rebels of atrocities against civilians and adversaries who have been put out of action. Human Rights Adviser Carlos Vicente de Roux stressed that if the guerrillas want to become—as it has announced—an alternative of power, they have the obligation to respect those rights "they violate every day."

Some 200 persons attended the celebration held at the Narino Palace's Gobelinos Hall, including the defense and government ministers, lawmakers, members of non-government human rights groups, and Catholic Church representatives. Gaviria indicated that the state has been perfecting democracy and promoting change so the conditions exist for greater respect for fundamental rights. Among these new democratic institutions, the president mentioned the creation of the Office of the Prosecutor General of the Republic, "as one of the most important legacies handed to Colombia by the new Constitution of 1991.

Prosecutor General Gustavo de Greiff said the new Colombian institutions will prevent further abuses and will contribute to resolving those that are committed. "We are developing," the president indicated, "close modes of cooperation between the Armed Forces and the Prosecutor General's Office to bring offenders before judges and defeat them in court." Gaviria noted that "thanks to this, approximately 2,000 persons, charged with belonging to guerrilla groups, are held in the country's jails. We know where they are and the state of their health, and we see them in court where they can make use of legal means of defense," he added.

De Roux stated "those 2,000 persons in the hands of the Prosecutor General's Office are the other side of the reduction in disappearances, tortures, and extrajudicial executions."

Leaders of the Political Prisoners Commission, who attended the ceremony, stated statistics list only 950 persons under arrest. They indicated "the president's speech is intelligent in the matter of strengthening the

obligation the state must have to human rights. One would have to wonder, however, if the state acts in line with that policy when it issues measures on habeas corpus and due process."

Cordoba noted it will be possible to achieve peace only "when human rights are not neglected, abused, or scorned." Cordoba and De Roux admitted that not a few rights violations are caused "by excesses on the part of public officials who betray their constitutional duties with their criminal actions."

The president criticized the complaints of rights abuses by nongovernment groups, which in many cases have commented on incidents that happened in the past or have been tried already. Gustavo Gallon of the Andean Legal Experts Commission, in turn, defended the complaints by those groups and noted the persons responsible are not known in half of those cases, but "the other half involves the guerrillas, state agents, or self-defense groups."

Hernando Valencia Villa, an investigator of human rights violations, said the government now has a positive attitude in adopting international human rights guidelines that protect defenseless victims. "We would like, however, to see the results in terms of sanctions on state agents implicated in violations of those fundamental rights," he indicated.

Sanin Comments on Guerrillas, Cuba's Castro

PA1509210593 Madrid EFE in Spanish 1922 GMT 15 Sep 93

[Text] Santa Fe de Bogota, 15 Sep (EFE)—Colombia deplored "the attitude" of some countries, including Cuba, which receive Colombian guerrillas who kidnap and kill persons and damage oil pipelines, Colombian Foreign Minister Noemi Sanin stated here on 15 September.

Sanin denied having any knowledge of an alleged meeting in Havana between commanders of the communist Revolutionary Armed Forces of Colombia (FARC) and former Nicaraguan President Daniel Ortega. "For the administration of (Colombian President Cesar) Gaviria, it is inconceivable that guerrillas are being received with generosity by other countries, not only Cuba, giving them credibility in topics such as human rights," Sanin stated.

The foreign minister made these statements while appearing before a Colombian Congress commission. She declared that Colombia will not reestablish diplomatic relations with Cuba, but will maintain consular and commercial relations with that country. Sanin deplored that during the recent visit by Cuban President Fidel Castro to Colombia, he did not condemn the violence unleashed by guerrilla organizations, but did encourage them to act within the legal frameworks in countries where they can exercise political activities.

For Colombia, Castro's visit to Cartagena de Indias in July was "fertile," in the opinion of Sanin, who said the Cuban leader is responsive, because "he is aware that his people are enduring very deep political and economic difficulties." Castro "does not believe in the capitalist system, but does not know if he still has faith in socialism. He has the certainty that he is seeking a formula, which is neither one nor the other," the Colombian minister concluded.

Bucaramanga Police Arrest Alleged ELN Leader

PA1609204793 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 16 Sep 93

[From the "24 Hours" newscast]

[Text] Bucaramanga police on 15 September captured Jaime (Araque) Ortiz, alias Rocola, alleged chief of the urban network of the Army of National Liberation [ELN]. Rocola is wanted by the regional prosecutor for terrorism and subversion.

According to the police, investigations are under way to determine if (Araque) was involved in yesterday's incident during which eight buses were set on fire south of Bucaramanga.

AD/M-19 Leader Fals Borda Resigns Position

PA1609210393 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 15 Sep 93

[Text] Another member of the 19 April Movement Democratic Alliance, AD/M-19, has resigned. This time it was Orlando Fals Borda, one of the two presidents [as heard] of that movement. Although he said he made the decision for personal reasons, his resignation undoubtedly adds another factor to the crisis.

[Begin Fals Borda recording] Although I resigned, I am not leaving the alliance as other former members have done. I still view the alliance as a viable political alternative. I resigned to dedicate myself full time to my duties as secretary general of the Territorial Reform Commission. [end recording]

Mexico Forgoes Signing of Coffee Cartel Agreement

PA1709033893 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 15 Sep 93

[Report from the "Up to the Minute Caracol Newscast"]

[Text] Santa Fe de Bogota—Mexico has decided not to sign the agreements that will establish the Association of Coffee Producing Countries and will call for withholding 20 percent of coffee exports to encourage higher international prices.

Mexican representatives indicated they will continue to observe the development of the international coffee situation.

The decision was announced by the Mexican representative to the Bogota meeting—a session that brings together delegates from Colombia, Brazil, Central America, and Africa. The meeting is expected to conclude today. The group is expected to meet again in Brazil on 23 September to officially sign the document creating the new association.

Government To Announce Oil Policy Changes

PA1509155893 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1700 GMT 14 Sep 93

[From the "National Newscast"]

[Text] The national government today announced oil policy changes. The disclosure was made by Mines and Energy Minister Guido Nule Amin during a forum to discuss the way Colombia should handle the oil boom.

The government intends to offer greater guarantees to oil exploration companies. According to Minister Guido Nule the idea is to make oil investments in Colombia more attractive.

[Begin Nule recording] We need to take into account that if certain things do not make us competitive at the international level we then have to improve these conditions. Up to now we have believed that these conditions were good, however, we should not close our eyes within this opening philosophy and need to remain aware of what goes on abroad. [end recording]

Current legislation is being reviewed by the Colombian Petroleum Enterprise. Details of the proposals for the new contracts with multinational oil corporations will be released in the next few days.

These changes, nevertheless, could mean new problems for public order for the government. One of the guerrillas' justifications for attacking the oil pipelines lies in the revenues, according to them, the oil companies operating in Colombia receive. New benefits, including tax benefits, for the foreign multinational corporations, may also create new conflicts.

Goods, Services Production Rises 4.75 Percent

PA1509215593 Santa Fe de Bogota EL TIEMPO in Spanish 10 Sep 93 pp 1a, 8a

[Text] The Colombian economy did better than expected by certain private groups and analysts that predicted dark clouds for 1993. According to preliminary figures by the National Planning Department (DNP), the total production of goods and services in the country rose 4.75 percent during the first half of this year, compared to the same period last year.

Economic growth in the last 12 months (July 1992 to June 1993), is 3.7 percent, however, a rate slightly above the 3.56 percent registered throughout all of last year. GDP [gross domestic product] growth for the first half, which adjusts to official predictions, can be largely explained by a good performance in the construction sector, which represents a real increase of 9 percent.

The financial sector has also improved substantially, with an increase of 8.9 percent, and so did the government's service sector, with an 8-percent increase. The increase in the construction sector is seen in the high volume of approved licenses, whereas the "boom" [preceding word in English] in the financial system can be seen in the statements by those entities, reporting profits of a little over 200 billion pesos.

These figures concur with the government's projections of a GDP growth for the whole year of 4.5 percent and 5 percent in 1994. According to analysis by certain economic groups, the GDP will not grow beyond 3.5 percent, however, because factors, such as the revaluation and the competition generated by the aperture with greater imports and an increase in smuggled goods, will slow down the productive system.

The agricultural and livestock sector has been unable to pick up. Preliminary figures disclosed by the DNP indicated that this sector only grew .9 percent from January to June.

Farming groups have attributed the crisis to the economic aperture, which has caused a massive flow of imported food products and a lack of an adequate policy of support for this sector.

Activities such as hunting, fishing, and forestry have registered a 20-percent increase, whereas the livestock sector registered a 3-percent increase.

The performance of the manufacturing sector, according to the DNP, is favorable. It registered a 4.9-percent increase during the first six months of this year, compared to the same period last year. Excluding the coffee-threshing season, industry growth rose to 5.52 percent.

The drop in the coffee-threshing season and in sectors such as beverages (- 10.36 percent), tobacco (- 12.64 percent), clothing (- 3.16 percent), hide and its by-products (- 12.71 percent), shoewear (- 1.13 percent), paper (- 7.29 percent), and oil by-products (- 2.81 percent) has been compensated by a growth in other areas of industry.

This is what is happening in equipment and transportation materials, which show an increase of 65.54 percent. Machinery and electrical appliances rose 16.81 percent. Glass and plastic products, iron and steel, and clay, earthenware, and porcelain products have also shown a favorable performance.

The sectors experiencing a drop are those that have been hurt by imports, disloyal competition, underinvoicing, and smuggling.

Venezuela

Corpoven Pays Over 64 Billion Bolivares To Treasury

PA1609201793 Caracas Venezolana de Television Network in Spanish 2350 GMT 13 Sep 93

[Text] Venezuelan Petroleum Corporation [Corpoven], a subsidiary of Venezuelan Petroleum, has contributed over 64 billion bolivares to the national treasury, thereby surpassing the financial goals set for this year. With that financial investment, Corpoven is responsible for 33 percent of the industry's total sales, supplying the domestic market with 382,000 barrels of oil per day. Refined products such as natural gas, liquid gas, and petroleum were earmarked primarily for the electrical power, iron and steel, and petrochemical industries, whereas 61 percent of Corpoven's sale were earmarked for the U.S. market. There has been a growing effort to penetrate the Caribbean, South American, and European markets. To further contribute to the national treasury, Corpoven is holding talks with interested companies to complete various projects to produce and upgrade the [word indistinct] crude from the Orinoco oil strip area and the new Oriente refinery.

Further on High Court Proceedings on Appeal by Perez

PA1609044593 Caracas Venezolana de Television Network in Spanish 1550 GMT 15 Sep 93

[Report by Johnny Ficarella at the Supreme Court of Justice building from "The News" newscast—live relay]

[Text] "The News" news team is at the Supreme Court of Justice. Today, all attention is centered on the decision to be made by the plenum, the Political and Administrative Chamber, on the annulment recourse and the constitutional amparo filed by Carlos Andres Perez.

We recall that last Thursday the plenum did not meet because the charges, which were brought by Deputy Paciano Padron against three magistrates of the Political and Administrative Chamber, were ruled to be inadmissible. Prosecutor General Ramon Escovar Salom and Congress' legal proxy (Jose Guillermo Onduesa) requested that the Supreme Court plenum, and not the Political and Administrative Chamber, be the one to rule on the recourses filed by Perez—namely, the annulment recourse against Congress' decision to declare Perez's absolute vacancy from office and the constitutional amparo to void the Congress' decision until a ruling is made on the annulment recourse.

It is noon right now, and various magistrates have not arrived at the Supreme Court. Therefore, there is no quorum to hold the plenum. Perhaps the plenum will be postponed again. In the interim, Carlos Andres Perez's trial remains at a standstill.

Another point that could be brought up at the plenum—if it is indeed held—is the Supreme Court's ability to continue the trial. There are several magistrates who hold the opinion that the Superior Court for the Protection of Public Property should be the one to try Carlos Andres Perez because he is a former president. Perez is currently a former president. Most Supreme Court magistrates, however, hold the opinion that the Supreme Court of Justice should be the one to try Perez because he was the president of the Republic when the charges were made and investigations initiated.

Continue to watch this television channel because, if the plenum is held, we will report it to you directly from the Supreme Court of Justice. Back to the studio.

Correction—President Decides To Appoint Commission

PA1609165893

The following correction pertains to the item headlined "President Decides To Appoint Border Commission," published in the 16 September Latin America DAILY REPORT, page 42:

Column one, last paragraph, first sentence, reads... a money-laundering paradise. Delgado said that, on... (correcting name)